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Suharto Opens ASEAN Economic Meeting 29 Oct

BK2910081090 Jakarta ANTARA in English 0730 GMT 29 Oct 90

[Text] Jakarta, Oct 29 (OANA-ANTARA)—Indonesia on Monday [29 October] urged the ASEAN countries to search for new opportunities for cooperation in order to strengthen the ties already existing among them. We need to look for new breakthroughs in order to strengthen the cooperation that already exists, President Suharto said at the opening of the 22nd meeting of ASEAN economic ministers at the state palace here.

The Indonesian president called for a more significant and effective intra-ASEAN economic cooperation through new approaches in the fields of trade and investments. He cited as example the possibility for joint business ventures. He also proposed the possibility of further trade preferences and the abolishment of non-tariff barriers.

The procedure for trade preferences also needs to be simplified. The possibility of boosting trade and investment in certain industrial products through effective tariffs that are in force for all the ASEAN countries should be explored as well.

Furthermore, more effective patterns of cooperation in the fields of agriculture, forestry, finance, and transportations also need to be studied, President Suharto said.

Studies on ways to strengthen the ASEAN Secretariat, according to the president, should also be started.

Before the opening here, the 22nd meeting of the ASEAN economic ministers had been preceeded by a meeting of ASEAN senior economic officials and experts in Denpasar, Bali, from Oct 26-27.

The Indonesian delegation to the meeting is led by Trade Minister Arifin Siregar and Industry Minister Hartarto.

Following the meeting, Indonesia will automatically be the chairman of the ASEAN economic ministers meeting until the next session.

ASEAN Adopts Trade Measures

BK3010131190 Hong Kong AFP in English 1257 GMT 30 Oct 90

[Text] Sanur Beach, Indonesia, Oct 30 (AFP)—The Association of Southeast Asian Nations (ASEAN) Tuesday adopted new measures designed to boost trade and investment ties between the six member countries, officials said.

ASEAN economic ministers ended two days of talks on the holiday island of Bali by agreeing on offering greater access to investors in ASEAN Industrial Joint Venture (AJIV) projects and offering more incentives, the officials said. The ministers also adopted a new scheme for common effective preferential tariffs on selected industrial products "to facilitate the free flow of goods within ASEAN," they said in a statement.

"We are moving in the right step towards liberalising trade as well as probably even investment in the region," Philippine Secretary for Trade and Industry Jose Conception told a joint press conference.

ASEAN, formed in 1967 to promote economic cooperation in non-communist Southeast Asia, groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Market integration in Western Europe, major changes in Eastern Europe and superpower rapprochements have prompted ASEAN to review its cooperation programs and to plan for a new summit in Singapore towards the end of next year when the subject of economic cooperation was expected to feature prominently, officials said.

The ministers earlier initialled an agreement amending the basic terms of the AIJV, which included allowing non-ASEAN investors to hold up to 60 per cent of equity and applying common preferential tariffs for the joint venture products in the countries involved. Under the AIJV, companies from at least two ASEAN countries must take part in a project and the resulting products qualified for 90 per cent reduction in import tariffs in the participating countries. There are currently eight projects under the scheme, one for manufacturing centrifugal pumps, and seven for DAF truck components.

On trade, the ASEAN economic ministers agreed on an Indonesian proposal for implementing common preferential tariffs, starting initially on selective industrial products.

Intra-ASEAN trade cooperation has so far been conducted under preferential tariff arrangements (PTA), giving discounts of between 25 and 50 per cent on import tariffs for goods coming from other ASEAN countries, but it had been viewed as ineffective since ASEAN states imposed different rates, officials said. The new scheme would require that every ASEAN government charge the same preferred tariff rates and ASEAN, as part of implementing the concept, would explore integrating the more liberalising foreign exchange rules and removing non-tariff barriers in member states, the statement said.

The ministers also hailed the recent creation of a "growth triangle" in ASEAN as as a useful model to help strengthen ASEAN economic cooperation.

Singapore pioneered the concept with the creation this year of the triangle involving the island republic, the Malaysian state of Johore and the Indonesian Province of Riau.

Singapore Minister for Trade and Industry Lee Hsien Loong said the triangle complemented existing official ASEAN economic cooperation programs. "Here is one way in which the private sector can go ahead and make a success of it," Mr. Lee said.

The ASEAN ministers also initialled a supplementary agreement establishing an ASEAN potash mining project, the fourth joint industrial project. The 289 million dollar venture, to be located in Thailand, would manufacture potassium chloride with an annual capacity of one million tonnes with products to be sold both in ASEAN and outside.

Issues Statement on Uruguay Round

BK3110131090 Bangkok THE NATION in English 31 Oct 90 p B12

["ASEAN's Statement on the Uruguay Round"—THE NATION headline]

[Text] I. ASEAN ministers note with deep regret the latest developments in the Uruguay round negotiations. They are especially alarmed that even until now a significant major group of contracting parties has not yet tabled its offers on agricultural products. They view this as a serious setback to the overall negotiations. With hardly a month before Brussels, the Uruguay Round is facing a real crisis.

II. ASEAN wants the Uruguay Round to succeed and that is why ASEAN has been participating constructively in the negotiations. ASEAN has unilaterally liberalized its tariffs and has tabled substantial offers in the market access groups in support of this round. For ASEAN to continue to be interested in this round, ASEAN expects all the following positive developments [to] be realized:

1. Substantial improvements in the market access area in products of interest to ASEAN, particularly tropical products;
2. All participants should table constructive offers on agriculture immediately and start negotiating in good faith;
3. Immediate substantive agreement on the details of the MFA [multi-fibre arrangement]-based modality and timeframe for the integration of the textiles and clothing sector in the General Agreement;
4. Developments on trade rules should be fair. These developments should not lead to greater trade restrictions, harassment of legitimate trade and the use of rules as a protectionist tool;
5. Commitments by participants to settle disputes only under the multilateral rules; and
6. Differential and more favourable treatement should be given to developing countries consistent with their financial, trade and development needs.

III. ASEAN ministers in their 22nd meeting in Bali resolved that the Round should be concluded successfully in December 1990 as scheduled to the benefit of the multilateral trading system. All participants must similarly show the same determination. ASEAN ministers will continue to assess the progress and intensify consultations in these last few days of negotiations, and shall take concerted actions commensurate with the situation necessary to secure and promote ASEAN's trade interest.

Threatens Boycott of EC Products

BK3110073390 Kuala Lumpur International Service in English 0600 GMT 31 Oct 90

[Text] ASEAN will boycott products of the European Community (EC) as the last resort if the community goes ahead with its move to ban imports of tropical forestry products. Indonesian State Minister for Population and Environment Emil Salim said the boycott will be enforced if efforts to persuade the EC to reverse its resolution failed.

The European parliament last week adopted a resolution calling for a boycott of tropical hardwood from Sarawak, Malaysia, citing as a reason the catastrophic deforestation caused by logging activities in the state.

ASEAN Economic Ministers who were in Bali for their annual meeting which ended yesterday also threatened to boycott EC products if the resolution was implemented.

Indonesian Forestry Minister Hasrul Harahap who led an ASEAN ministerial meeting to EC countries earlier this month to counter allegations against tropical hardwoods warned that ASEAN is ready to retaliate to safeguard its legitimate interest.

Japan

Proposal To Scrap UN Peace Corps Bill Rejected

OW3110053190 Tokyo KYODO in English 0347 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—The Japanese Government on Wednesday rejected a suggestion by a senior ruling party politician to scrap a plan of sending noncombat Self-Defense Forces (SDF) personnel abroad to join international peacemaking efforts.

Deputy Chief Cabinet Secretary Nobuo Ishihara told a news conference that the government is not considering a major revision of the controversial United Nations Peace Cooperation Bill.

On Tuesday ruling Liberal Democratic Party (LDP) heavyweight Shin Kanemaru urged the government to think of ways to meet its international responsibilities without the proposed legislation.

Japan must avoid causing concern among its Asian neighbors by sending SDF personnel abroad, Kanemaru told a meeting of senior members of the LDP's two largest factions. They are a faction led by former Prime Minister Noboru Takeshita, and one led by former Foreign Minister Shintaro Abe.

Prime Minister Toshiki Kaifu indicated over the weekend he is willing to consider revising the bill if the government fails to win Diet approval during the current session ending on November 10. He also urged opposition parties opposed to the bill to submit alternative plans to enable Japan to assist international peacemaking efforts.

The bill would allow Japan to dispatch SDF personnel for noncombat duties that support the enforcement of U.N. resolutions.

The prospect of Japan sending its military abroad has sparked strong protests from China, South Korea, and other countries that suffered from Japanese aggression in World War II.

Hashimoto: No Further Multinational Forces Aid

OW3110125590 Tokyo KYODO in English 1235 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—Finance Minister Ryutaro Hashimoto said Wednesday Japan will make no further financial contributions to help the multinational forces deployed in the Persian Gulf. "Japan is not thinking at all to extend further financial support" to the multinational forces, Hashimoto told the special committee on the government-proposed U.N. Peace Cooperation Bill in response to an opposition party member.

The Japanese Government has so far pledged 2 billion dollars to the U.S.-dominated multinational forces deployed after Iraq invaded Kuwait on August 2.

At the same committee session, Prime Minister Toshiki Kaifu rejected a call for a major revision of the controversial bill, although he indicated his readiness to partially revise the bill, which would allow the sending of Japanese Self-Defense Forces (SDF) personnel overseas to help international peacekeeping activities.

He said the government proposed the bill "because it believed it is the best plan" to help such peacekeeping operations.

But he also said, "I want opposition parties to submit alternatives to the bill for further debate, along with the government bill, on matters that can or cannot be agreed upon," suggesting his intention of partial revision.

On Tuesday, Shin Kanemaru, an influential figure in the ruling Liberal Democratic Party, urged the government to undertake a major revision of the bill, including retraction of the dispatch of SDF personnel abroad.

Kanemaru, a former deputy prime minister, said Japan must avoid causing concern among its Asian neighbors by sending SDF members overseas.

All opposition parties except the moderate Democratic Socialist Party have clearly opposed the bill, arguing that it violates the Constitution.

Asked about Kanemaru's remarks by a Japan Socialist Party Member, Kaifu also said the government has been cautious not to stir up anxiety among Asian nations in drawing up the bill, in particular China, South Korea, and other countries that suffered from Japanese military aggression in World War II.

In Osaka, Mutsuki Kato, chairman of the LDP's policy affairs research council, said both government and LDP executives should bear responsibility if the bill fails to be passed. He said the government would do its best to pass the bill in the Diet but added he thinks there would not be sufficient time for the bill to be enacted in the current session since the Diet goes into recess November 10.

Meanwhile, the Ministry of International Trade and Industry [MITI] said Japan has signed a contract with Saudi Arabian enterprises to provide several hundred thousand dollars worth of lumber for construction of facilities, including barracks, for the U.S. forces deployed in Saudi Arabia through Saudi Arabian enterprises. Volume and types of lumber have yet to be decided, MITI said.

Japan has already offered 800 four-wheel-drive vehicles to the U.S. forces. The necessary funds will be disbursed from the Gulf Peace Fund established by Japan for the Gulf Cooperation Council, a group of six Persian Gulf states.

Poll: Majority Opposes Sending Troops Overseas

OW3110122190 Tokyo KYODO in English 1117 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—Though only half of Japanese voters oppose the government-proposed United Nations Peace Cooperation bill, 67 percent are against sending Self-Defense Forces [SDF] personnel to serve in the U.N. Peace Cooperation Corps, according to a poll conducted by KYODO NEWS SERVICE.

According to the poll, only 13 percent of the voters expressed approval both for the bill, which is now under heated discussion at the Diet (parliament), and for sending SDF members abroad. The poll, conducted by telephone last weekend, covered 1,000 people out of Japan's 90 million eligible voters. Of the total, 486 men and 514 women answered.

In-depth discussions on the bill started last week at a special committee of the House of Representatives. The current Diet session is scheduled to end November 10.

The bill is aimed at creating Japan's U.N. Peace Cooperation Corps, including SDF members who will take nonmilitary roles to help international peacekeeping efforts.

While 50 percent of the pollees replied that they are opposed to the bill, 13.3 percent said they supported it. The remaining 36.7 percent remained noncommittal or did not answer, according to the poll.

The poll said that 66.8 percent of the people oppose the overseas dispatch of SDF personnel and only 12.9 percent favor it.

The poll also showed that 50.9 percent of the people thought that sending the SDF overseas is not permissible under the current laws because it clearly runs counter to the Constitution, which renounces war and the threat or use of force as means of settling international disputes.

The Constitution is also viewed as prohibiting the right of collecti[illegible] self-defense.

Only 12.2 percent answered that they think the overseas dispatch of SDF is allowable within the current constitutional framework. Some 31.6 percent replied that they think SDF members could go abroad under the Constitution as long as they do not resort to fighting.

Asked about the idea of making SDF members participate in U.N. forces, 58.5 percent expressed opposition to it and 12.9 percent favored it. The remaining 28.6 percent gave no clear-cut answers.

On concerns voiced by Asian nations over the planned dispatch of SDF members, 74.1 percent of the people said they understand such anxieties. Only 20.7 percent dismissed Asian nations' concerns, saying SDF members to be sent abroad will not use armed force, according to the poll.

Asked how Japan should contribute to international peacemaking and peacekeeping activities, 45.4 percent replied that Japan should send personnel to nonmilitary fields in addition to its economic assistance. Some 37.9 percent said that Japan should step up monetary aid.

Those polled also cast doubt on Prime Minister Toshiki Kaifu's leadership ability in coping with the Gulf crisis that followed Iraq's August 2 invasion and later annexation of Kuwait.

A total of some 70 percent of the pollees gave negative marks to Kaifu's leadership, while only 28 percent gave him positive marks.

The poll showed signs of a decline in public support for Kaifu, who has enjoyed high popularity among Japanese citizens since he took office in August last year, political analysts said.

Chief Cabinet Secretary Misoji Sakamoto, commenting on the outcome of the poll, said that he thinks citizens have mixed images of the SDF and the proposed United Nations Peace Cooperation Corps, which would not resort to force.

Sakamoto stressed that the peace cooperation team is designed not to use the military power under its strict civilian control and that it would include not only SDF personnel but also a wide range of people such as local government servants and people in the private sector.

Sakamoto said that the government will have to fully and clearly explain the bill to the public.

Upon learning of the poll results, opposition parties pledged to step up their campaign against the bill.

Tsuruo Yamaguchi, secretary general of the Japan Socialist Party, said that the people understand the argument by the opposition camp that the overseas dispatch of U.N. Peace Cooperation Corps, mainly consisting of SDF members, violates the Constitution. The secretary general of the largest opposition party vowed to make all-out efforts to scrap the bill.

Nakasone To Ask Saddam for Hostage Release

OW3010051490 Tokyo KYODO in English 0410 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Former Prime Minister Yasuhiro Nakasone said Tuesday he will ask President Saddam Husayn to free unconditionally all civilians of any nationality held hostage by Iraq during his upcoming visit to Iraq.

Nakasone, who will be traveling with a Liberal Democratic Party (LDP) mission, visited LDP Secretary General Ichiro Ozawa and other party executives in the Diet to thank them for the party's cooperation over the visit.

Nakasone and the LDP delegation will leave for Baghdad early Saturday, arriving there the evening of the same day. They are making the trip at the invitation of Iraq's ruling Ba'ath Party and a private Iraqi peace group called the Organization of Friendship, Peace, and Solidarity.

Nakasone also said in the meeting Tuesday that in Baghdad he will act in line with United Nations resolutions against the Iraqi invasion of Kuwait in early August calling for an Iraqi pullout from the Amirate.

As the last of the three principles he said he wants to abide by, Nakasone added he will try to persuade Saddam to come to the table for peace talks to solve the Gulf crisis.

Ozawa said he hopes Nakasone can sufficiently convey Japan's stance and thinking over the crisis.

Meanwhile in Washington, the U.S. State Department issued a statement on Monday warning Nakasone to beware of what it calls Iraq's propaganda campaign to undermine international solidarity in the Gulf crisis.

Lists Mission's Three Goals

OW3110070290 Tokyo KYODO in English 0626 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—Former Japanese Prime Minister Yasuhiro Nakasone said Wednesday he would try his best to persuade Iraqi President Saddam Husayn to sit at a peace talks table and free foreign hostages.

Nakasone will leave for Baghdad on Saturday with a mission from the ruling Liberal Democratic Party (LDP) and is expected to meet the Iraqi president to discuss possible peaceful ways out of the current Persian Gulf crisis resulting from the Iraqi invasion and annexation of Kuwait in August.

The former prime minister was addressing a meeting of an LDP faction led by former Finance Minister Michio Watanabe. Nakasone himself headed the faction before he quit the party because his aides were allegedly involved in the 1988 Recruit stock scandal.

The situation existing in the Gulf is very grave and dangerous and the danger is increasing every minute, Nakasone said.

"I don't know if I can do what I expect to, but I will throw myself into the task, keeping in mind that you cannot get a tiger's cub unless you go into a tiger's den," he said, quoting a Japanese proverb.

He cited three goals for his mission to Iraq—to observe U.N. Security Council resolutions against the Iraqi invasion of Kuwait, to do everything possible to seek a peaceful solution to avoid a military clash, and to demand immediate release of foreign nationals held hostage by Iraq.

Watanabe told the gathering that he hopes Nakasone will perform the function of an "adviser" for the LDP mission, which is headed by faction member Koko Sato, so as to get fruitful results. Nakasone, who left the LDP in the wake of the Recruit influence peddling scandal, is an independent member in the House of Representatives.

Nakasone and the LDP mission are making the trip at the invitation of Iraq's ruling Ba'th Party and a private Iraqi peace group called the Organization of Friendship, Peace, and Solidarity.

Gulf Crisis 'Could Increase' Consumer Prices

OW3110082990 Tokyo KYODO in English 0739 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—Higher crude oil prices resulting from the Persian Gulf crisis could increase Japan's consumer prices 0.9 percent, an official of the Economic Planning Agency said Wednesday.

Otaro Sueki, director general of the agency's coordination bureau, said consumer prices would rise 0.9 percent and the gross national product fall 0.3 percent if crude oil prices stay at 30 dollars a barrel for one year.

Oil prices averaged about 12 dollars a barrel before Iraq's August 2 invasion of Kuwait, he told a meeting of a special committee of the House of Representatives. Japan's external payments would increase by 22 billion dollars a year, Sueki said.

"We are managing somehow in crude oil trading in terms of quantity, but psychological fears will likely push up prices of oil products and other products," he said.

High crude oil prices will hurt countries worldwide, he said. "The United States will suffer a larger impact than Japan due to its weak financial situation, while nonoil developing countries will be forced to curb their exports due to higher inflationary pressures."

He noted that Eastern European countries, whose supply of crude oil from the Soviet Union is being reduced, will also be affected severely, and that Latin American countries with large foreign debts will be burdened with higher interest rates.

Reportage on Nelson Mandela's Visit Continues

Mandela Approaches Opposition

OW3110055290 Tokyo KYODO in English 0531 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—South African antiapartheid leader Nelson Mandela called on Japanese opposition parties Wednesday to grant financial aid to the African National Congress (ANC).

The 72-year-old leader made the request in separate meetings with Democratic Socialist Party [DSP] Chairman Keigo Ouchi, Komeito Chairman Koshiro Ishida, Japan Communist Party Chairman Tetsuzo Fuwa, and United Social Democratic Party head Satsuki Eda.

Mandela, deputy president of the ANC, told Ouchi, Ishida, and Eda that the ANC needs more funds to provide jobs, houses, and education for about 20,000 South African blacks returning home from exile and some 600 political prisoners expected to be released from jail.

He also told Ishida that the ANC hopes to control financial aid to be channeled directly from foreign countries and civic groups.

Ouchi replied that Japan is not able to give direct assistance to foreign groups like the ANC due to Japanese laws. However, he said, the DSP will make every effort to grant more aid to the antiapartheid black organization.

At a meeting with Fuwa, Mandela said he was disappointed to hear that the Japanese Government will not be able to give direct financial assistance to the ANC when he asked Prime Minister Toshiki Kaifu to grant 25 million dollars in direct aid to the South African organization.

Fuwa told Mandela the Japanese Government was contradicting itself when it declined the ANC request for money despite its invitation to him to visit Japan.

Mandela had met Prime Minister Kaifu and other senior government officials since arriving in Japan on Saturday. He will leave for Malaysia on Thursday.

Labor Leader Pledges Solidarity

OW3110100390 Tokyo KYODO in English 0847 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—Japan's largest labor union on Wednesday pledged to visiting antiapartheid leader Nelson Mandela that it will keep solidarity with his movement until freedom and democracy are established in South Africa.

In a welcome meeting for Mandela in Tokyo, Akira Yamagishi, president of the eight million-strong, cross-industrial union Rengo, the Japanese Trade Union Confederation, said his organization has also joined antiapartheid actions by Japanese unionists.

Mandela hailed Yamagishi's expression of Rengo's cooperation in the fight to abolish Pretoria's racial separation policy, saying its abolition would gain respect from the world.

Rengo is not the ruling power of the Japanese Government, but Mandela said there is no doubt the union reflects the voices of the majority of the Japanese people. He said the African National Congress (ANC), for which he serves as vice chairman, has gained significant support from labor unions in its struggle.

Yamagishi, criticizing the Japanese Government's "cool" reaction to Mandela's call for financial support for the ANC, also promised that Rengo will work to press the government to increase financial assistance to the ANC.

Yamagishi handed Mandela a donation of 1.5 million dollars raised from Rengo members. He also presented a petition from 1.36 million workers calling for the early end to apartheid in South Africa.

Mandela is to leave for Malaysia on Thursday before returning home.

LDP To Send Apology Mission to U.S. Blacks

OW3110022590 Tokyo KYODO in English 0143 GMT 31 Oct 90

[Text] Washington, Oct. 30 KYODO—Japan's ruling party will send a mission to the United States to meet American blacks, the target of a recent racial slur from Justice Minister Seiroku Kajiyama, a high-ranking Japanese diplomat said Tuesday.

The diplomat said the Liberal Democratic Party (LDP), of which Kajiyama is a member, will send a mission to discuss with black leaders ways to improve relations between Japan and the black community in the United States.

The LDP, stunned by the intensity of reaction from American blacks to Kajiyama's remarks, recently canceled a plan to dispatch a mission to be led by former Education Minister Yoshiro Mori, acting chairman of an LDP panel on minority issues.

Also under consideration is a meeting between American black business leaders and a delegation of the Japan Chamber of Commerce and Industry, due to come here in December.

The diplomat said the Japan also plans to invite American black leaders to Japan, hold a seminar on minority issues in Japan and encourage black opinion leaders to write in Japanese magazines.

Kajiyama told reporters after touring a red-light district in Tokyo on September 20 that foreign prostitutes ruined good neighborhoods, "like in America when neighborhoods become mixed because blacks move in, and whites are forced out."

The Black Congressional Caucus reacted strongly to Kajiyama's statement and subsequently introduced a resolution seeking a reprimand for the justice minister. The U.S. House of Representatives Foreign Affairs Committee passed it by voice vote.

Members of the National Association for the Advancement of Colored People (NAACP) have been demonstrating in front of the Japanese Embassy here since September 28 to protest "Japanese racism."

Airport Firm Denies Bidding Irregularities

OW3110135390 Tokyo KYODO in English 1153 GMT 31 Oct 90

[Text] Osaka, Oct. 31 KYODO—Kansai International Airport Co. [KIAC] said Wednesday that it has sent a letter to a U.S. company denying allegations of any irregularities in a contract bid for work on the new Kansai International Airport.

KIAC President Yoshio Takeuchi said at a press conference that the letter was sent to AEG Westinghouse Transportation Systems, which lost the contract, to explain that the bidding procedure was fair.

The dispute emerged when the company undertaking the multibillion dollar project awarded a contract for an automated guide-way transport system in the airport to Niigata Engineering Co. and Sumitomo Corp. in July. The choice triggered furious complaints from the Pittsburgh-based company, which asserted that there were violations of the U.S.-Japan construction agreement in the evaluation and selection procedures.

Japan and the United States agreed in 1988 to allow American builders to bid on construction projects in Japan, including the airport project.

Following the charge, the Japanese company gave a briefing for the 13 bidders in mid-September on the selection process, but failed to persuade Westinghouse that it was handled fairly. The U.S. company subsequently submitted questions concerning the bidding procedure.

Takeuchi said that the letter is a response to the questions and that it is intended to explain that the selection is based on the experience of the successful bidders in city transportation systems and the bidding price, which was below that offered by Westinghouse by several billion yen.

He also said the building company has no plans to hold another bid and will sign the deal with the Japanese group as soon as possible.

BOJ Official Not Surprised by FED Rate Cut

OW3010023390 Tokyo KYODO in English 0200 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—A senior Bank of Japan [BOJ] official said Tuesday that the 0.25 percentage point cut in a key lending rate the previous day by the U.S. Federal Reserve (FED) was "not surprising" since the action had been earlier promised by the FED.

The official, who spoke on condition of anonymity, said the U.S. central bank action followed FED Chairman Alan Greenspan's strong indication that he was ready to cut the key lending rate if Congress approved a 496 billion dollar budget deficit-reduction bill.

The FED injected 1 billion dollars into the banking system on Monday to push the overnight bank lending rate, known as the Federal Funds Rate, to 7.75 percent from the 8 percent level.

Asked whether the FED would go further on a rate cut, the official said only that he believes the FED will continue monitoring how the rate cut will affect the overall economy. He noted that inflationary pressure has been growing in the United States, citing higher crude oil prices caused by continued tensions in the Persian Gulf as well as boosted burdens of expenditures for U.S. military forces stationed in that region.

Central Bank To Maintain 'Firm Grip' on Credit

OW3110053990 Tokyo KYODO in English 0907 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—The Bank of Japan (BOJ) will maintain its firm grip on credit for now to ease inflationary pressures, central bank sources said Tuesday. The BOJ, then, will not follow Monday's action by the U.S. Federal Reserve to lower a key lending rate, known as the federal funds rate, by a quarter of a percentage point to 7.75 percent.

The Fed took this action after passage by Congress over the weekend of a budget deficit reduction package.

Despite lower U.S. rates, which usually make the U.S. currency less attractive to invest in, the dollar rebounded to a half-month high in Tokyo currency dealings.

Dealers said they were relieved the Fed's action cleared up much uncertainty over current U.S. credit policy.

Market analysts had expected that relaxing U.S. credit might further batter the dollar, already fragile due to fading confidence in the U.S. economy. Some analysts even had predicted the dollar would break through the 120 yen line.

The analysts also had believed that if the Fed eases, the BOJ would follow suit to narrow the interest rate gap between Japan and the U.S. in order to prevent a crash of the dollar. But the unexpected upturn of the dollar, combined with high oil prices stemming from the protracted Gulf crisis, led the BOJ to stay firm in its credit stance to fend off further aggravation of inflation.

One BOJ official, in analyzing the strong performance of the dollar, said the market had already factored in lower U.S. rates.

The official, who declined to be named, said upward pressures on domestic prices remain strong amid the robust expansion of the Japanese economy, indicating that the central bank is not ready to loosen its rein on credit at the moment.

Exports Shift Away From U.S. to Southeast Asia

OW3010201390 Tokyo KYODO in English 1222 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japan's exports are increasingly being shifted toward Southeast Asia from the United States, its traditional market, a report issued by the Japan Foreign Trade Council showed Tuesday.

The report said that exports to Southeast Asian countries accounted for 35.8 percent of total exports in the first half of fiscal 1990, compared with 28.7 percent during the same six-month period a year before.

By contrast, exports to the U.S. accounted for only 21.5 percent of the total, lower than 28.2 percent they represented in the first half of fiscal 1989, it said.

The report on 18 Japanese trading houses which account for nearly half of the country's exports showed that exports to Southeast Asian countries in the half-year period under review rose 52.9 percent over a year before.

Although the growth of exports to the newly industrializing economies (NIES) has slowed slightly, the advance of motorization and greater demand for plant and equipment in the countries of the Association of Southeast Asian Nations (ASEAN) pulled up export growth, the report said.

Thanks to this jump in exports to Southeast Asia, total exports in the April-September period increased 22.6 percent from a year before to 8,096.4 billion yen, the highest rise since the first half of fiscal 1980, it said.

Exports of plant equipment, ships, and automobiles were notably strong. There were more than 20 export contracts for plant equipment each worth over 10 billion yen, while exports of ships rose 36.9 percent due to renewal period for ships built in the 1960s.

It is the third straight sixth-month period for ship exports to increase by more than 30 percent.

In spite of slow auto exports to the U.S., where production by Japanese manufacturers has gone into full swing, total auto exports rose 12.1 percent, helped by massive exports of auto parts to Southeast Asian countries.

Imports in the first half of fiscal 1990 rose 13.6 percent from the same period last year to 9,640.6 billion yen. Energy imports increased 34.2 percent as a result of higher crude oil prices and sharper demand for liquefied natural gas. On the other hand, imports of timber declined 11.5 percent due to the peaking out of new housing starts.

Imports from Europe, the Middle East and Southeast Asia were particularly brisk. Those from the Soviet Union and Eastern European countries rose 10.6 percent due to increases in aluminium and coal.

The trade organization also released a report of export contracts in the month of September, which showed a growth of 35.0 percent from a year before to 2,867.8 billion yen due to brisk exports of plant equipment.

Imports rose 23.2 percent to 2,781.5 billion yen, pulled up by increases of goods in the energy and machinery sector.

'Cautious Stance' Taken on PRC Senkakus Offer

OW3010141490 Tokyo KYODO in English 1325 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japan is taking a "cautious" stance toward a Chinese proposal that China and Japan jointly develop the Senkaku Islands claimed by the two countries, as well as by Taiwan, a Foreign Ministry spokesman said Tuesday. In a meeting with foreign correspondents, Taizo Watanabe said Japan is trying to respond "cautiously," based on the fundamental position that the islands are Japanese territory.

China's Vice Foreign Minister Qi Huaiyuan proposed in a meeting Saturday with Japanese Ambassador to China Hiroshi Hashimoto that the two countries begin talks on jointly developing the potentially oil-rich area around the island group.

Foreign Ministry sources said Japan has so far not pushed ahead with exploration of the surrounding seabed due to the issue's political sensitivity. The sources said the idea of joint development, which has been proposed by China in the past, carries the potential for undermining the legitimacy of Japan's claim to the islands, which lie some 190 kilometers north of Taiwan.

The Soviet Union has long been calling on Japan to agree to a joint development scheme for four islands, claimed by Japan, which lie northeast of Hokkaido. But Japan has rejected the Soviet proposals on the grounds they do not entail a recognition of Japanese sovereignty over the islands.

Japanese Left in PRC After War Plan To Visit

OW3010120190 Tokyo KYODO in English 1058 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—A group of 38 Japanese left behind in China at the end of World War II will arrive November 26 for a 15-day visit in an attempt to locate their lost relatives, the Ministry of Health and Welfare said Tuesday.

One of the group visited Japan previously but failed to find relatives on that occasion, officials said.

Staying in Japan until December 10, the group will meet those who claim to be possible relatives and conduct interviews. They will also tour Osaka in western Japan for two days. The effort is the 21st since the ministry started the program in 1981.

A total of 1,726 such displaced persons have already visited Japan and 620 of them were able to identify themselves positively and unite with their families or relatives.

An unknown number of Japanese children were separated from their parents in China amid the confusion at the end of World War II. Such war-displaced persons were mostly children of Japanese colonists in Manchuria, a Japanese-installed state in northeastern China, officials said.

Chubu Electric Plans To Import Coal From PRC

OW3110085290 Tokyo KYODO in English 1353 GMT 30 Oct 90

[Text] Nagoya, Oct. 30 KYODO—Chubu Electric Power Co. plans to import 400,000 tons of coal annually from China for its new thermal power station in Hekinan, Aichi Prefecture, which is to start operation in October next year, company President Kamesaburo Matsunaga told reporters Tuesday.

A formal contract covering the coal import for the 2.1 million kilowatt power station is expected to be concluded next March. The coal will come from the Chinese Province of Shanxi.

Chubu Electric is the nation's third-ranking electric power firm, supplying power to central Japan.

Nation's Economic Role in Asia Stressed

OW3010140990 Tokyo KYODO in English 1256 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Chong Chu-yong, honorary chairman of South Korea's Hyundai business group, urged Japan Tuesday to play a positive role in the economic development of Northeast Asia, including the Soviet Union, China and North Korea, as well as South Korea and Japan.

Japan's active cooperation is indispensable for the economic progress in the region and that progress will pave the way for the reunification of North and South Korea, Chong said in a lecture here. On a cautionary note, however, the South Korean business leader expressed the hope that Japan's future payment of war reparations to North Korea would not lead to Pyongyang's military strengthening.

Japan and North Korea, which have no diplomatic relations, will start talks for the normalization of their ties next month.

In his lecture, Chong pointed to rapid changes in the world economy, including German unification and the 1992 market integration of the Economic Community. Germany is in the vanguard of the movement for economic change, he said.

Japan, with its great economic power, should play an active role, similar to that of Germany, in enhancing the economy of Northeast Asia, he said. Japan should also reinvest its wealth in the development of the world economy, he added.

Touching on Seoul-Moscow relations, which were normalized last month, Chong predicted the bilateral economic ties would move into high gear next year. He admitted the Soviet Union is facing a difficult economic situation now, but said he believes in the future of the ongoing Soviet move toward a market-oriented economy.

Moscow has a major role to play, similar to that of the United States, in the long-hoped-for unification of the Korean peninsula and South Korean businesses are stepping up contacts with the Soviets with a view to Moscow's influence on the process, he said.

Korean Residents Say DPRK Spy Report False

OW3010111090 Tokyo KYODO in English 1050 GMT 30 Oct 90

[Text] Fukui, Oct. 30 KYODO—A pro-Pyongyang group of Korean residents of Japan on Tuesday filed a protest with police against what it called a "false" police report of a North Korean spy ship in the coastal town of Mihama, Fukui Prefecture, on the Japan Sea.

The Fukui branch of the General Association of Korean Residents in Japan (Chongryon) said in a statement that the Fukui police invented the story of a North Korean spy ship Monday in order to divide the peoples of North Korea and Japan. The group also made a verbal protest to the prefectural police.

Police said Monday a wrecked North Korean boat was found in Mihama, some 110 kilometers northeast of Osaka, on Sunday and that it carried spy kits including sheets of random numbers.

Korean words like "great leader Comrade Kim Il-song" were found on a vinyl sheet in the boat, police said.

The Korean residents group said such police announcements were made out of a desire to impede the first North Korea-Japan government-level talks on diplomatic normalization which are to start soon.

Envoy Sent to USSR for Talks With Primakov

OW3110123990 Tokyo KYODO in English 1215 GMT 31 Oct 90

[Text] Tokyo, OCt. 31 KYODO—Japan has dispatched a senior Foreign Ministry official to the Soviet Union to consult on the Persian Gulf crisis with Soviet presidential envoy Yevgeniy Primakov, Foreign Ministry officials said Wednesday.

Officials said Deputy Foreign Minister Hisashi Owada left Tokyo Wednesday morning for consultations with Primakov in Moscow and further talks with his counterparts in France, Britain, and the United States. Owada will also pay a call on the headquarters of the International Red Cross in Geneva before returning to Japan around November 10, officials said.

Observers noted that it is rare for Japan to consult on an international crisis with the Soviet Union. Last September the two countries issued an unprecedented joint condemnation of Iraq's invasion of Kuwait.

Primakov, a close confident of Soviet President Mikhail Gorbachev and a member of the Presidential Council, traveled recently to the Middle East on a peace mission. Primakov met Iraqi President Saddam Husayn on Sunday in Baghdad.

Gorbachev told reporters in Paris on Monday that judging from the outcome of the talks, "President Saddam Husayn's stand is not that which he held some time ago." He did not elaborate.

Manufacturing Venture With Soviets Negotiated

OW3010103690 Tokyo KYODO in English 0909 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Chori Co., a medium-sized trading house, said Tuesday it has negotiated a joint venture between Japan and the Soviet Union to manufacture parts of seismometers for geological surveys in the Soviet Union.

The new company, called Oyo Geo Impulse Ltd., has been established between Geophyspribor, a state-run Soviet electric, technological, and industrial machineries maker, and Oyo Geospace Corp., a U.S. subsidiary of Oyo Corp., a Tokyo-based geological survey firm, at the request of the Soviet side.

The Soviet company will own a 53 percent stake in the 1.25 billion yen tie-up, while Oyo Geospace will take 40 percent. The remaining 7 percent goes to Chori and the Vostok Cooperative Bank of the Soviet Union.

The partnership has begun production of impulse sensors used in manufacturing of seismometers, a product not subject to export restrictions imposed by the Coordinating Committee for Multilateral Export Controls (Cocom). Annual production is estimated at 1.1 million parts in three years, including 100,000 for export.

Romanian Economic Mission Seeks Advisers

OW3110133990 Tokyo KYODO in English 1307 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—Romania wants Japan's help to incorporate this country's experience into its drive toward a market economy, a senior Romanian official said Wednesday.

Adrian Severin, Romania's deputy prime minister for reform, said he made the request in meetings with a number of Japanese Government officials during his five-day visit here. Severin has been in Japan since Saturday as the leader of a high-powered economic mission to Japan and South Korea.

The Romanian Government wants economic advisers from Japan and also hopes to send Romanian managers and prospective managers here for training in Japanese companies, he said.

Tokyo will positively consider Severin's proposal after a consensus on assistance to Romania has been achieved among the G-24 donor countries to Eastern Europe, a Japanese Foreign Ministry official said.

Severin, a key economic adviser to Romanian President Ion Illiescu, also invited Japanese managers to take over the management of some big Romanian enterprises, saying they would have "full autonomy" in running factories in line with his country's new economic laws. The Foreign Ministry official said Severin was probably seeking senior advisers skilled in economic reform, such as retired managers of major companies.

Severin said his mission also asked Japan to help set up specialized entities in Romania similar to the Japanese productivity center and the association for management. "Perhaps Romania today has very similar problems to Japan of the 1950s," Severin said. "From this point of view, the Japanese model and Japanese experience could be very precious to us."

A Foreign Ministry official said Japan expects to receive more concrete information from Romania on exactly what kind of managerial advice is needed before coordinating with the private sector.

At Tuesday's G-24 meeting in Brussels, the official said, the Japanese delegation spoke out in favor of "encouraging reform in Romania." But the G-24 countries could not agree on whether to extend aid to the country, which has been shunned by the forum in the wake of the government's violent suppression of demonstrators in Bucharest in June.

Informed sources said the issue is likely to be taken up more concretely when the G-24 convenes another high-level meeting, possibly in January.

A Foreign Ministry official said Japan welcomes the opportunity to sound out Romania on its reform program, which was recently toughened and accelerated after a cautious and slow start.

"Until now we have had very few opportunities to present our real image as reformists," Severin said. "We are devoted to implementing reform profoundly, to adopting the market-economy system, and hand in hand with it, the political democratic system."

"The river is wide, it is muddy, it is rough, and it is full of dangerous fish that bite. But we are determined to cross to the other bank of the river and in order to do so we must swim fast," he said.

Cable System To Link Four ASEAN Nations

OW3010125290 Tokyo KYODO in English 1153 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—NEC Corp., Fujitsu Ltd., and Ocean Cable Co., said Tuesday they have signed a contract in Brunei to set up an underwater optical cable system linking four members of the Association of Southeast Asian Nations (ASEAN).

The underwater cable will link Brunei, Singapore, Malaysia, and the Philippines, the firm officials said. Construction of the cable linking Brunei and Singapore is expected to be completed in late November, 1991. The line linking Brunei, Malaysia, and the Philippines is expected to be completed in late January 1992.

The two lines will each be approximately 1,500 kilometers long. The lines will have an information capacity of 560 megabits per second, they said. One megabit is equal to 1 million bits. The telephone circuit will have a capacity of about 15,000 circuits, the largest in Southeast Asia, they said.

Two British Investment Trusts May Do Business

OW3110114890 Tokyo KYODO in English 1120 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—As part of its open-door policy to foreign financial institutions, the Finance Ministry on Wednesday issued permission to two big British investment trusts to establish Japanese subsidiaries for the first time, ministry sources said.

Jardine Fleming and S.G. Warburg, the two biggest investment trust fund managers in Britain, will launch operations on Thursday and Friday, respectively, under their subsidiaries, Jardine Fleming Investment Trust Management Ltd. and Warburg Investment Trust Management Co.

With staff of about 20 each, the two companies plan to expand business in the Japanese market by introducing new products through tie-ups with Japanese securities companies.

Because of the stock market slump since the beginning of the year, the Japanese investment trust market has contracted considerably to 42 trillion yen at present. Still, foreign investment trusts have shown unabated interest in entering the Japanese market, the sources said.

Following the lead of the two pioneers, the world's top investment trust, Fidelity of the U.S., and a British firm, Invesco Mif, are also getting ready to provide services in Japan. The ministry is expected to grant permission to them soon, they said.

Difficulty in Maintaining Rice Import Ban Noted

OW2910224190 Tokyo KYODO in English 1413 GMT 29 Oct 90

[Text] Tokyo, Oct. 29 KYODO—An official of the ruling Liberal Democratic Party (LDP) said Monday that Japan would find it difficult to maintain its rice import ban, a subject of trade liberalization talks at the multilateral Uruguay round.

"It would be extremely difficult for Japan to persist in its argument of self-sufficiency in rice at the round sponsored by the world's free trade guardian, GATT (General Agreement on Tariffs and Trade)," Hakuo Yanagisawa, who chairs the LDP's agricultural working group, told a symposium.

Yanagisawa said he believes it more desirable for Japan to discuss the rice import ban at multilateral negotiations, instead of bilateral talks with the United States. "It is easier to discuss the matter at a forum participated [in] by other advocates of farm protection like the European Community," he said.

Kaifu Launches All-Purpose Advisory Panel

OW3110081790 Tokyo KYODO in English 0620 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—Prime Minister Toshiki Kaifu opened a new session of an advisory council Wednesday that he hopes will help Japan become a more consumer-oriented nation.

The third ad hoc council on administrative reform is charged with coming up with suggestions over the next three years on both immediate and long-term issues such as controlling the cost of land and housing, and coping with Japan's aging society. The new nine-member panel will also grapple with crisis management and Japan's response to the Persian Gulf crisis, and demands to open its rice market.

Eiji Suzuki, chairman of the Japan Federation of Employers' Associations, heads the council.

Suzuki, in his opening remarks to the panel of prominent business and labor leaders, said the group should aim to make it possible for consumers to enjoy more of the benefits of Japan's economic prosperity. He also pledged to seek "realistic" policies that will enable Japan to contribute more to the international community.

Kaifu has asked the panel to come up with policies to make Japan's administrative procedures fairer and more transparent. Japan has been frequently criticized for inhibiting free trade with complicated rules and regulations.

The first ad hoc council was established by law in 1981 to advise the government on how to achieve a healthy fiscal situation. Earlier sessions drew up policy proposals that eventually led to the privatization of public corporations such as the former Japanese National Railways.

Extremists Claim Responsibility for Arson

OW2910232390 Tokyo KYODO in English 1143 GMT 29 Oct 90

[Text] Tokyo, Oct. 29 KYODO—The extreme leftist group Kakurokyo (Revolutionary Workers' Council) has claimed responsibility for arson attacks on the homes of Takeshi Muramatsu, a professor at Tsukuba University, and the former villa of Gen. [General] Maresuke Nogi, a hero of the 1904-5 Russo-Japanese War, police said Monday.

Kakurokyo posted billboards in the campus of Komazawa University in Setagaya Ward, Tokyo, saying it had attacked Muramatsu's house and Nogi's villa with fire bombs and destroyed them, according to police.

Saturday's predawn fire partially destroyed the two-story residence of Muramatsu in Tsukuba, northeast of Tokyo. Near the site police found small dry-cell batteries thought to have been used to start the fire. Muramatsu is known for his support for Emperor Akihito's enthronement ceremonies in November.

The former villa of Nogi, located on the ground of Nogi shrine in Nishi Nasuno, Tochigi, was burned down by a fire on Sunday morning. Another fire started at the same time scorched columns of a chapel at the shrine. Police found a small plastic tank filled with gasoline at the site.

Nogi and his wife committed ritual suicide on September 13, 1912, the funeral day of Emperor Meiji.

In recent months, extremists have stepped up their anti-emperor attacks in efforts to disrupt the November 12 enthronement ceremony and the November 22-23 daijosai, a harvest thanksgiving ceremony to be conducted by the emperor.

Tight Security To Mark Emperor's Enthronement

OW3110141690 Tokyo KYODO in English 1252 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 KYODO—An unprecedented 37,000 police officers will be deployed to ensure security during Emperor Akihito's enthronement ceremony on November 12, the Tokyo Metropolitan Police Department said Wednesday.

The department said the decision was made after a raid on the militant leftist Chukakuha, or middle core faction, on October 1 that led police to believe that the group had developed a new type of projectile to disrupt the ceremony. Police had originally planned to mobilize 32,000 officers, including plainclothesmen, to guard against possible violence.

The security force will exceed the 30,000 officers deployed during the Tokyo summit of seven leading industrialized nations in 1986 and the 32,000 mobilized for the funeral of the Emperor Showa last year.

Police suspect Chukakuha may have developed a missile more powerful than the one it used during the Tokyo summit, which had a range of four kilometers. They said tight security will be enforced within a radius of eight kilometers around the Imperial Palace, compared with four to six kilometers in the past.

Ministry To Produce Supplementary Budget Early

OW2610142390 Tokyo KYODO in English 1357 GMT 26 Oct 90

[Text] Tokyo, Oct. 26 KYODO—The Finance Ministry will seek the Diet passage of a fiscal 1990 supplementary budget by the end of this year instead of early next year, ministry officials said Friday. The move is designed to speed up disbursement of 1 billion dollars in nonmilitary aid for the multinational forces in the Persian Gulf, which is to be provided in the supplementary budget, they said.

The supplementary budget for fiscal 1990 will be slashed to some 2 trillion yen from roughly 5.9 trillion yen in fiscal 1989 in light of signs of a slowdown in corporate tax revenue growth, they said.

The aid money represents half the 2 billion dollars Japan has pledged to the Gulf forces confronting Iraq. The government has already spent another 1 billion yen in such aid.

Tokyo has also promised another 2 billion dollars in aid to the Middle East countries affected by the United Nations-imposed sanctions against Iraq for its invasion of Kuwait on August 2. The Finance Ministry will disburse most of the money in the fiscal 1990 budget and the remainder will be set aside in a fiscal 1991 budget.

Japan has been under pressure from the United States to provide the money as soon as possible.

The ministry had planned to draft a fiscal 1990 supplementary budget as part of a package with a fiscal 1991 budget for submission to the Diet early next year. The supplementary budget will also include some 600 billion yen for disaster relief to the areas hit hard by a series of big typhoons this year, the officials said.

Under the spreading impact of crumbling stock prices since early this year, banks, insurance firms, and brokerage houses are expected to report poor earnings for fiscal 1990. These groups pay roughly one-third of all corporate taxes.

Economic Planning Agency Views Continued Growth

OW3010062390 Tokyo KYODO in English 0602 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—The latest data on Japan's leading business indicator shows that the economy will continue on an expansionary path in the coming months, undeterred by the Persian Gulf crisis, the Economic Planning Agency said Tuesday.

The leading indicator for August, the latest reporting month, stood at 60.0 percent flat.

It is the sixth consecutive month in which the indicator, which has 13 components including the money supply, new job offers, and housing starts, has stood above the so-called "boom or bust" line of 50 percent, the agency said.

The coincident indicator, which consists of 11 items including sales at department stores and shows present economic conditions, also stood at 80.0 percent flat, topping the 50 percent line for seventh month in a row.

The eight-component lagging indicator, reflecting business activities in the past few months, rebounded to 57.1 percent after falling to 28.6 percent the previous month for the first decline in 35 months, the agency said.

Government Panel Advises Tax on Land Holdings

OW3010070890 Tokyo KYODO in English 0617 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—A government advisory panel urged the Government on Tuesday to introduce a new tax on land holdings in order to bring down Japan's absurdly high land prices and to put a brake on the widening gap between the haves and the have-nots.

The Tax System Council, an advisory body to the prime minister, said in a recommendation that together with the new tax, tentatively called the "Land Holding Tax," the Government should carry out other tax reforms, including heavier taxes on land transactions and farmland in commercial areas.

The recommendation, submitted to Prime Minister Toshiki Kaifu, has laid the groundwork for the Government's land policy reform, along with a report published by the Land Policy Council, another governmental body, earlier in the day.

Terming the inflated land prices in Japan "one of the most significant tasks facing the country at present," the council said the land price spiral has helped widen the asset gap among the people, discouraging workers who cannot own their land and thus threatening Japan's economic prosperity.

Japan's land prices are so high that the majority of people cannot buy land even if they work hard for most of their lives.

Defining the Land Holding Tax, to be introduced at the beginning of fiscal 1992, the council said the new tax should be levied on both commercial and residential lands in accordance with the value of the properties. The council believes that such taxation will make it costly to own land, discouraging land ownership for speculation and preventing further asset inflation.

But the council decided that lands used for housing or public purposes be free of taxes and that basic deductions be allowed on lands whose value is below a certain level. Analysts said that as a result of these loopholes, the proposed new tax is conservative compared with the originally planned across- the-board taxation.

Since the tax shelters will keep most personal landowners exempted from the new tax, the tax revenue, part of which will be recycled in the form of reduced income and corporate taxes, should fail to reach 1 trillion yen, the analysts said.

The council also recommended that from fiscal 1991, beginning April 1 of that year, the Government review existing land taxes, and impose stiffer taxation on farmland.

Urban farmers currently enjoy lower fixed-asset tax rates and exemptions from Inheritance Tax, privileges partly responsible for the shortage of residential land in big cities.

On the basis of the recommendation, a tax commission under the ruling Liberal Democratic Party (LDP) will finalize the land policy reform plan by the end of November, after working out the rate and scope of the Land Holding Tax and other details. But the analysts said the planned reforms could be in for a rough ride, since the proposed new tax is already under strong criticism from businesses, local governments, and even elements within the LDP.

Manufacturers Post Biggest Increase Since 1980

OW3010073790 Tokyo KYODO in English 0708 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japanese manufacturing companies shipped almost 300 trillion yen worth of products in 1989, posting the largest year-on-year increase since 1980, the Ministry of International Trade and Industry (MITI) said Tuesday.

In its annual report on the manufacturing industry, MITI said the 1989 shipments by Japanese factories with four employees or more amounted to 298.88 trillion yen, up 8.9 percent from the previous year. That is the largest rise since 1980, when shipments soared 16.7 percent.

Investments in plant and equipment by factories with 30 or more employees surged 23.6 percent to 14.21 trillion yen.

The year-on-year upswing in capital spending was the largest since 1970, when investment rose 23.8 percent.

The number of manufacturing facilities with four workers or more dropped 3.6 percent in 1989 from a year ago to 421,749, while the number of employees at these factories edged up 0.5 percent to 10.96 million.

Manufacturing plants with 1,000 or more employees posted the largest year-on-year increases in both the number of factories (up 4.3 percent) and workers (up 2.6 percent).

Aichi Prefecture, where Toyota Motor Corp. is located, accounted for the largest amount of manufacturing shipments in 1989, rolling out 33.11 trillion yen worth of products.

Tokyo came fourth, after Kanagawa Prefecture and Osaka, with shipments of 21.40 trillion yen during the year. The number of factories in Tokyo with 30 or more on the payroll declined 14.6 percent, while the figure for workers fell 15.7 percent.

"Companies have transferred their production to local areas in the search for labor," a MITI official said.

Nationwide, the number of factories with 30 or more employees climbed 10.6 percent, and that of workers rose 8.9 percent. The electronics industry accounted for about half of the overall increase in these manufacturing plants, MITI officials said.

IAEA Head on International Atomic Safety Forum

OW2710013990 Tokyo KYODO in English 0055 GMT 27 Oct 90

[Text] Aomori, Oct. 27 (KYODO)—Energy policy makers from more than 100 countries will meet next September for the first time to discuss ways to boost public safety at nuclear power stations, an official of the International Atomic Energy Agency (IAEA) said Saturday.

Hans Blix, director general of the IAEA, told KYODO NEWS SERVICE the conference will likely be held in Berlin or Vienna with 120 countries attending.

The countries expected to participate in the conference include the United States, the Soviet Union, France, China, and Cuba, said Blix, who is visiting Aomori, northern Japan, to attend a seminar on atomic energy.

Participants will discuss safety measures for three types of nuclear reactors—pressurized water reactors, boiling water reactors, and fast breeder reactors—and beyond-border emergency measures in the case of serious nuclear power plant accidents like the 1986 Chernobyl nuclear accident.

The first preparatory meeting for the conference will be held in December in Vienna, where the headquarters of the 113-member international body is located, Blix said. He also said the international seminar on utilization of nuclear energy and environmental protection will be held in Helsinki in May under the auspices of the IAEA and the World Health Organization (WHO).

A total of 433 nuclear power plants are running in some 30 countries and another 98 nuclear power stations are under construction in the world.

Government Plans To Cut Oil Dependence

OW3010021290 Tokyo KYODO in English 0027 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—The government Tuesday approved a new long-term energy-supply goal for making Japan less dependent on oil, while increasing the share of nuclear power generation sharply, officials in the Ministry of International Trade and Industry (MITI) said.

The target, endorsed at a cabinet meeting Tuesday morning, set a goal of slashing the share of oil in Japan's total energy supply to 45.3 percent in fiscal 2010 from the 57.9 percent in fiscal 1989, the officials said. Japan's fiscal year starts in April.

It predicted that Japan's total energy supply will increase 31.7 percent to the equivalent of 657 million kiloliters of crude oil in fiscal 2010 from the 499 million in fiscal 1989, they said.

The share taken by nuclear power is expected to rise to 16.9 percent from 8.9 percent, while solar and other high-tech clean energies will go up to 5.3 percent from 1.3 percent during the same period.

The new target is almost identical to the figures in the report on long-term energy supply outlook released by an advisory panel to the minister of international trade and industry in June. But the June report put the goal for cutting oil dependence at 46.0 percent of the total energy supply in fiscal 2010. The report projected Japan's total energy supply in fiscal 2010 will amount to the equivalent of 666 million kiloliters in terms of crude oil.

The difference between the old and new prospects in the total energy supply—about nine million kiloliters of crude oil—is also the same as the difference in the two projections for oil consumption. This will come from energy conservation efforts in the transportation sector, the MITI officials said.

By the end of the next decade, dependence on oil will decline to 51.3 percent, and the share of nuclear power will climb to 13.3 percent, according to the latest outlook.

If the targets are fully met, per capita emissions of carbon dioxides (CO_2) will level out at the current level of 2.5 tons a year by fiscal 2000, as targeted by the recently announced action program to limit "greenhouse" gases, the officials said.

More Public Spending for Quality of Life Urged

OW3010013990 Tokyo KYODO in English 0031 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japan should boost its public spending to improve life quality and use its technological skills for more humane purposes in order to create a society more gentle to people and to the environment, a government report said Tuesday.

The annual report on the national life compiled by the Economic Planning Agency said that public spending has lagged behind private spending, resulting in materially wealthy homes and a poor social environment.

"Our homes have been enriched, but one step outside of the house and we are faced with narrow dangerous roads, crammed commuter trains, unorganized ugly towns, and few places in the neighborhood to relax and spend one's leisure time," a government official told reporters.

It also said that technology, whim has played a significant role in strengthening the economy, has at the same time worsened living conditions through waste and pollution.

"In its effort to catch up with the West, Japan has used technology to expand its economy at a rather rapid rate, sometimes a the cost of the environment. Now we should put larger emphasis on making technology more kind to human society," the official said.

Japan's fast economic expansion has pulled the national income and household assets to the world's highest, prompting a high level of private consumption that has raised living standards, the report said.

In contrast, however, spending in the public sector has lagged behind and caused dissatisfaction to run high in the country over transportation and welfare services, particularly for the elderly.

There is a need for the government to spend more on old-age pensions, roads, sports and recreation centers, and public facilities for the elderly. Also, regulations for city planning should be reviewed with a mind to creating harmony between areas of residence, commerce, and industry, the report said.

On the problem of high land prices, the report emphasized the importance of making more use of land to provide better housing services rather than facilitating purchases.

It said the current land tax system that is favorable to landowners is one reason behind the price rise and that a review of this system is called for. It also cited a need to create a new framework of rules to encourage the letting of houses and land.

The report noted how Japanese living standards have been supported by technology, and how it has helped the social advancement of women by lightening their household chores.

But technology in society has had its darker side by producing polluted water, waste, and increasing amounts of carbon dioxide. These ill effects can be solved by fuller use of technology to recycle and dispose of waste, and to preserve energy and water, the report said.

To fully solve the waste problem however, a system of imposing the disposal costs on the individual should be introduced, the report said. It also urged the creation of a system providing drivers with information about roads and traffic congestion.

Technology should be assessed by corporations and individuals by the effects it causes on the environment, and it should be more widely used to encourage the care and independence of the elderly and handicapped.

A society gentle to people and to the environment can be realized, the report said, if the government takes an individual's viewpoint in adopting comprehensive policies for improving the quality of life and if it introduces systems which enable the average Japanese to take part in such policies.

Mongolia

President To Attend Akihito's Enthronement

OW2810105390 Ulaanbaatar International Service in English 1200 GMT 27 Oct 90

[Text] The heads of the recently formed Press Services of the President and the Government of Mongolia have held the first press conferences in Ulaanbaatar. (Tserenbad Jambaldorj), chief of the Presidential Press Service, said the forming of an organizational structure of services intended to ensure a full-fledged activities of the president has been completed. Civilian and Scholarly Councils have been formed under the president, which will act as consultative bodies to the head of the state in working out important documents and resolutions, said Mr. (Jambaldorj).

Speaking about the nearest foreign visit by the Mongolian president, he said that Ochirbat will attend the ceremony of the accession to the throne of the Japanese Emperor Akihito in mid-November.

Chief of the Government Press Service (Sergey Alpak), speaking at the press conference about the new Mongolian Government, said that for the first time in the country's history, it includes representatives of different political parties. The government upholds the principle of mutual understanding and cooperation with all public organizations and political parties and movements, said Mr. (Alpak).

Byambasuren Interviewed on Economic Revival

OW2810095890 Ulaanbaatar International Service in English 1200 GMT 27 Oct 90

[Text] Prime Minister Byambasuren in his interview to the MONTSAME NEWS AGENCY bulletin TSAG YE, or TIME, has said that privatization is the most important condition for economic revival of Mongolia. Today all restrictions on the number of privately owned livestock have been eased, cooperative and individual forms of labor organizations are developing successfully, and the necessary conditions for complete independence or self-management by enterprises are being created. All this creates (?a basis) for a switch over to market relations. He said that while the country moves over to market economy, the functions of the ministries must be changed. In this respect, it is imperative to establish a non-administrative form of management of the national economy, including a market information and research center, said the prime minister.

Growing Demand for Fuel, Power Supply Noted

OW2810104690 Ulaanbaatar International Service in English 1200 GMT 27 Oct 90

[Text] A meeting of miners has been held in the Mongolian capital.

Speaking there deputy minister of Power Industry (Ganbold) indicated the growing demand for fuel and power supply in Mongolia. Through technological refurbishment of coal enterprises this demand can be successfully met, said the minister. He also stressed the need to improve labor organization at coal industries in tackling social problems of miners. Today there are 15 coal mines which annually produce about 9 million tons of coal, or 4.5 tons of coal per capita.

Special Task Police Battalion Established

OW2810104990 Ulaanbaatar International Service in English 1200 GMT 27 Oct 90

[Text] A special task battalion has been set up at the Chief Board of Police of Mongolia. The 50-man battalion will act only in emergency cases, such as mass disorders, armed attack, etcetera.

According to the Chief Police Board, the battalion will be expanded and a division set up in other parts of the country. The special task battalion members are being trained in the country without the help of foreign instructors. This is a part of a set of measures being taken to reinforce the police force in view of the latest growing attacks on police and increasing number of offenses.

North Korea

Dailies Urge Release of 'Visitors' to North

SK2810084090 Pyongyang KCNA in English 0822 GMT 28 Oct 90

[Text] Pyongyang October 28 (KCNA)—NODONG SINMUN and MINJU CHOSON today comment on the recent claim of South Korea's "special assistant to the president in charge of political affairs" that the "matter of the release of the visitors to the North" urged by the North could never be accepted because it "could not be a subject of negotiation" at the North-South talks.

This is believed to reflect the intention of the chief executive, and it is an unpardonable outburst going against the development of the North-South relations and dialogue and reunification and challenging the desire of the fellow countrymen and world conscience, says NODONG SINMUN.

The news analyst continues:

The release of the visitors to the North is an important political problem which is not confined to the internal affairs of South Korea but is directly linked with the reunification of the country and related to the North, the dialogue partner.

To incriminate their visit to the North which was motivated by their pure will for reunification, makes it a political problem and to harshly penalise them can never be tolerated either in view of the nation's desire for reunification or in view of national conscience and humanitarianism.

The South side's opposition to the release of the visitors to the North is inconsistent with the realities of today when mutual visits to Pyongyang and Seoul have become frequent.

If the visitors were to be criminalized for their meeting and discussing reunification with us, the "prime minister" and other delegates, the suite and journalists of the South side who have been to Pyongyang for talks with us must be jailed.

Incriminating those who visited the North and received welcome in Pyongyang means remaining hostile to the North.

Is there any difference between the South Korean authorities' opposition to the release of the visitors to the North and opposition to the dialogue with the North and reunification?

If the South Korean authorities have the intention to have dialogue with the North and settle the reunification question, they must ponder over the grave consequences of their provocative utterances and immediately release woman student Yim Su-kyong and others jailed for visiting the North.

No Tae-u Group's Constitutional 'Scheme' Viewed

SK3110052190 Pyongyang KCNA in English 0500 GMT 31 Oct 90

[Text] Pyongyang October 31 (KCNA)—The No Tae-u group's scheme for "the constitutional revision for the parliamentary cabinet system" for a long-term office has been brought to surface and openly stepped up. NODONG SINMUN and MINJU CHOSON today comment on this. News analyst of NODONG SINMUN says:

The "presidential chief secretary of Chongwadae" on October 29 officially announced that the "constitutional revision for the parliamentary cabinet system" is a line of the "Democratic Liberal Party [DLP]" which was confirmed at a time when three parties were merged and "there is no need at all to debate on the change of its line."

Those who concealed their plan for the "constitutional revision for parliamentary cabinet system," afraid of the strong public protest and denunciation, have revealed their ugly color at last and embarked upon the road of openly seeking long-term office.

This is a declaration of war against the people's will and, at the same time, an undisguised political coup to realize the illegal long-term office of the fascist political party.

As far as the "constitutional revision for the parliamentary cabinet system" sought by the puppets is concerned, this system calls for replacing the present "Constitution" providing for "the presidential system" with the "parliamentary cabinet system." This only changes the signboard and is no more than a replica of the fascist dictatorial system of the "Democratic Liberal Party".

Needless to say, this guarantees the traitor No Tae-u's scheme for the long-term office and, at the same time, gratifies the greed of Kim Yong-sam, Kim Chong-pil, others political mountebanks for their power.

The "revision of the Constitution for parliamentary cabinet system" stepped up by the No Tae-u group in secrecy has received a well-deserved denunciation at home and abroad as it has revealed part of its "secret-room politics" ignoring and fooling the will of the people and it is a political drama designed to maintain the one-party dictatorship of the "Democratic Liberal Party".

It is a daydream for the political charlatans who found themselves in the same cage after the three-party merger to try to maintain the power through the "secret-room politics" and political coup d'etat.

The No Tae-u group must give up the plot to remain in power indefinitely and step down without delay before being overthrown by the popular masses' strong resistance.

This is the only way out for the fascist dictators going against the time and people.

The news analyst of MINJU CHOSON says that if the "DLP" clan carry on the "revision of the Constitution for parliamentary cabinet system", challenging the demand of the people, it will result only in precipitating their doom.

Daily's Commentary Examines South's 'Attitude'

SK2810085090 Pyongyang KCNA in English 0828 GMT 28 Oct 90

[Text] Pyongyang October 28 (KCNA)—To solve the problem of Korea's reunification independently and creatively in conformity with the demand and interest of our nation and the specific conditions of Korea is an obligatory attitude which must be taken by all Koreans in solving this problem, says NODONG SINMUN in a signed commentary today.

It notes:

At the two rounds of inter-Korean high-level talks, the South side proposed having "two Koreas" recognised at home and abroad through North-South agreement under the pretext of "recognition of the reality" and "recognition of the entity" imitating the practice of other region and the experience of other country, and tried to make the North-South relations inter-state relations.

All the proposals of the South side such as "basic agreement (draft) on the improvement of North-South relations" and the proposal for travel, communications and trade were motivated by the intention to turn the North-South relations into the relations between countries.

In this position the South side denies one Korea, ignores the demand and interest of the nation, discards the independent position of the nation and represents the interests of the United States and others who seek the division of Korea.

The South side takes the dogmatic attitude of blindly imitating the experience of other region and other country and applying it to the problem of Korea's reunification and the North-South relations.

This finds graphic expression in that the South side proposed "building confidence" through exchange and cooperation while shelving the removal of the political and military confrontation between the North and the South and does not want to begin soon the solution of the reunification question, regarding the reunification of Korea as "unification of systems" and setting "stages" for it.

In view of reunification, the South side is by no means justified in calling for "unification of systems" by blindly applying the mode of reunification of other country to Korea where different ideas and systems have long existed in the North and the South and neither side would give them up.

Since the problem which the North and the South must settle through dialogue is the reunification of our country and our nation, the North and the South must use their own brains as Koreans and find a way for reunification which conforms to the interest of our nation and the specific conditions of our country.

If a fruit is to be borne at the North-South high-level talks as expected by the fellow countrymen, the South Korean authorities must, first of all, take an independent stand in the settlement of the reunification question.

The South Korean authorities must take the independent stand that Korea is one and must be reunified into one, and the creative stand to remove the political and military confrontation between the North and the South, create a peaceful climate for national reunification and reunify the country by founding a confederal state based on one state and one nation, two systems and two governments.

Report on South's Revision of Constitution

SK3010105990 Pyongyang KCNA in English 1020 GMT 30 Oct 90

["Schemings Intended for Long-Term Office"—KCNA headline]

[Text] Pyongyang October 30 (KCNA)—The presidential chief secretary of Chongwadae on October 29 declared that the Constitutional revision for the parliamentary cabinet system" is a decided line of the Democratic Liberal Party and officially announced that the revision of the Constitution would be stepped up in order to change the form of the government from the present presidential system to the parliamentary cabinet system, according to a report.

This surfaced No Tae-u's scheme for the revision of the Constitution for a long-term office.

The present Constitution of South Korea limits the presidential tenure to five years and no one is allowed to be reelected. According to it, No Tae-u who took the presidential office in February 1988 must leave Chongwadae in early 1993.

No Tae-u is trying to pave the way for his stay in power for an indefinite period by replacing the presidential system with the parliamentary cabinet system through the revision of the Constitution.

The South Korean authorities, afraid of the strong protest and denunciation [words indistinct] plan of the constitutional revision for parliamentary cabinet system. This time they officially published it in the name of the presidential chief secretary, thus boldly challenging broad public opinion against their moves for a long-term office.

This challenge will touch off a new wave of protest among the people.

Daily Denounces South's 'Road of Freedom'

SK3110052390 Pyongyang KCNA in English 0508 GMT 31 Oct 90

[Text] Pyongyang October 31 (KCNA)—NODONG SINMUN today accuses No Tae-u of crying at the ground-breaking ceremony of the "road of freedom" in Koyang County, Kyonggi Province, that the road should be linked to the North through Panmunjom and it will be a "road of reunification."

In view of the fact that No Tae-u has closed the existing road to the people aspiring after reunification and put behind the bars visitors to the North for reunification including coed Yim Su-kyong on charges of violating the "National Security Law," it is clear that the "road of freedom," the "road of reunification" is by no means a road for the people to freely travel between the North and the South, says the paper in a signed commentary.

His phraseology that the "road of freedom should be linked to the North" betrays his ambition for "unification under the system of liberal democracy" and "unification by prevailing over communism," the paper stresses, and goes on:

He is talking about "road of reunification" to disguise himself as one who wants peaceful reunification, while harbouring the dark intention for "unification by prevailing over communism."

If the traitor No has the real intention to achieve reunification according to the will of the people and realise free travel between the North and the South, he should not play a false farce advertising the "road of freedom" and "road of reunification" but dismantle all sorts of barrier such as the concrete wall and the "National Security Law" and positively respond to our just proposal to remove the political and military confrontation between the North and the South.

South Urged To Release Chondaehyop Chairman

SK3110044690 Pyongyang Domestic Service in Korean 0024 GMT 27 Oct 90

[NODONG SINMUN 27 October commentary: "Suppression Will Invite More Resistance"]

[Text] The South Korean fascist ring committed the suppression of arresting student Song Kap-sok, chairman of the National Council of University Student Representatives [Chondaehyop], in Seoul on 24 October.

In the meantime, the next day the puppet police opened fire on university students who staged demonstrations calling for the immediate release of student Song Kap-sok, and committed the atrocity of whisking them away.

It is known that the No Tae-u ring has regarded Chondaehyop, which desires independence, democracy, and reunification, as a thorn in its side. It instituted a dragnet to arrest Chairman Song Kap-sok long ago, and mobilized tens of thousands of the police to track him.

The South Korean ruling quarters arrested the Chondaehyop chairman this time. This is a public challenge to the South Korean forces who favor reunification and patriotism as well as a naked reactionary offensive to check the righteous activities of Chondaehyop.

The No Tae-u military fascist ring announced a so-called war against crimes, has had the entire police force arm itself with military hardware to suppress the people, and even committed the suppression of arresting the Chondaehyop chairman.

The puppet ring has now launched a fascist insanity. Thus, it is clear once again that its goal lies not in arresting so-called hooligans, but in suppressing the patriotic forces calling for independence, democracy, and reunification.

Now, the entire fellow countrymen's desire for reunification is mounting with each passing day. In addition, the struggle against the No Tae-u regime has been powerfully staged across South Korea.

Recently, with the revelation of the Defense Security Command's activities of political surveillance against civilians, the mass struggles against the No Tae-u's military fascist regime have further intensified. Youths and students brimming with the verve of a sense of justice stand in the van of the struggle.

The No Tae-u ring, driven into a serious crisis by the patriotic forces calling for the military regime's resignation and for national reunification, is attempting to suppress the people's antigovernment struggle and to prolong its power even by staining the entire area of South Korea with blood.

The suppression commotion, being kicked off now in South Korea, is literally a challenge to the desire and the demand of the people. In addition, this is the insanity and violence of those who should meet their downfall. It is, however, natural that the fascist suppression should invite the resistance of the people, and that the fascist suppression should further precipitate the downfall of the suppressors.

In connection with the arrest of the Chondaehyop chairman, in claiming that if the current regime ruthlessly suppresses youths and students, it cannot avoid the people's resistance, the Party for Peace and Democracy demanded that Song Kap-sok be released at once.

Chondaehyop, in a news conference concerning the arrest of its chairman, set the period from 25 October to 11 November as a struggle period to save him. It declared that it will smash the current regime's ambition of attempting to pursue a prolonged rule, by launching struggles, including rallies and strikes at each university.

The South Korean puppets should stop suppressing the forces for independence, democracy, and reunification, and release without delay all patriotic figures who have been illegally arrested, including student Song Kap-sok and figures visiting the North. If the No Tae-u ring constantly resorts to barbarous fascist suppression, it will face great resistance from one million youths and students and the people of South Korea and meet its downfall.

U.S. Aerial Maneuvers Against North Reported

*SK2710102990 Pyongyang KCNA in English
1004 GMT 27 Oct 90*

[Text] Pyongyang October 27 (KCNA)—The U.S. imperialists let formations of A-6 assault planes in the Iwakuni Base in Japan fly in the sky above Kunwi on October 22 and 23 in a frantic war exercise of making a surprise attack on targets immediately after reaching the sky above the operational zone from their overseas bases and escaping from there quickly in "case of emergency", according to military sources.

Between October 21 and 23, they brought more than 10 nuclear-capable F-16 fighter-bombers and formations of AV-8 VTOL [vertical takeoff and landing] assault planes from Misawa and Iwakuni Bases in Japan to the Osan and Kunsan Airforce Bases in South Korea.

Formations of F-16 fighter-bombers of the U.S. 7th Airforce present in South Korea staged a joint air strike exercise for northward invasion between October 23 and 24 in coordination with flying corps of the U.S. Army.

On October 23, the U.S. imperialists brought an E-3 early warning plane from the Kadena Base in Okinawa into the air above the Military Demarcation Line, letting it make a shuttle flight from the east to the west for an electronic reconnaissance on targets in the depths of the Northern half of Korea.

Meanwhile, on October 22, the South Korean authorities staged a parachuting exercise for surprise infiltration into the strategical depths of the Northern half of Korea in the sky above Sangju by mobilizing formations of transport planes C-123 carrying a large number of "commandos".

Between October 22 and 23, they mobilized a large number of troops, artillery pieces, tanks and armoured vehicles in an attack exercise for northward invasion with the support of scores of fighter-bombers. And they also staged a naval landing operational exercise in the West Sea with the mobilisation of combatant ships and formations of fighter-bombers and transport planes.

The planes mobilised in various war exercises in the sky above South Korea on October 23 alone totalled more than 530.

Further on Maneuvers Reported

*SK2910050190 Pyongyang KCNA in English
0449 GMT 29 Oct 90*

[Text] Pyongyang October 29 (KCNA)—The U.S. imperialists October 24 let formations of "A-6" assault planes based in Iwakuni, Japan, fly in the sky above the operational zone of South Korea for a war exercise of delivering a surprise attack on the targets in the frontline and coastal areas in the Northern half of Korea, according to military sources.

On October 23, formations of "F-16" fighter-bombers belonging to the U.S. 7th Airforce present in South Korea staged a bomb-dropping exercise in the sky above Chikto Islet of South Korea for a preemptive attack on the important targets in the strategical depths of the Northern half of Korea.

Scores of "F-16" fighter-bombers of the U.S. 7th Airforce staged a joint strike exercise in the skies above Osan, Pyongtaek, Chungju and Kongju on October 23 and 24 with the support of formations of fighter-bombers, assault planes and airborne warning and control planes of the airforce of the puppet army.

Meanwhile, the South Korean authorities on October 24 staged a provocative military drill for invading the North in Uijongbu and Hwachon with the support of more than 60 "F-16" and "F-4" fighter-bombers and assault planes belonging to the airforce of the puppet army.

In the latter half of October, the South Korean authorities staged such war exercises for increasing offensive capacities against the North as the exercise of commanders and staff members, the mobile exercise of mechanised units, the mobile exercise of commanding group, the joint aerial and ground manoeuvre, parachuting exercise of "commandos", the hurdle-clearing exercise of tanks and armoured vehicles, the materiel transport exercise in the wartime, the exercise for 400-kilometre march and transportation exercise under the simulated conditions of an actual war.

The repeated war exercises by the U.S. imperialists and the South Korean authorities clearly show that they are running headlong toward confrontation and war behind the scene of North-South dialogue.

Commentary Criticizes Gregg's 'Absurd Remarks'

SK3010050590 Pyongyang Domestic Service in Korean 1150 GMT 29 Oct 90

[Commentary by Chong Pong-kil: "Absurd Remarks of Evading Responsibility"]

[Text] According to reports, in a debate meeting on state affairs, U.S. Ambassador to Seoul Gregg made absurd remarks, laying the blame at our door.

At the debate meeting, the rascal raved that the improvement of relations between us and the United States is dependent upon our attitude toward North-South dialogue and that we should recognize South Korea and promote exchanges.

This is a brazen-faced scheme to lay the responsibility they are naturally faced with in resolving the Korean issue on someone else's lap.

As everyone knows, the U.S. imperialists have occupied South Korea by force for almost half a century and are viciously obstructing Korea's peace and reunification.

The U.S. imperialists are using South Korea as a springboard for global conquest and are dispatching tens of thousands of U.S. imperialist aggressive forces and some 1,000 nuclear weapons, holding various war exercises with the puppets, such as the "Team Spirit" joint military exercises to invade the North. Thus leading the way in bringing the situation on the Korean Peninsula to the brink of war.

The U.S. imperialists are also handing over splittist scenarios such as the northern policy and the entry into the United Nations to the puppets and are driving them to fabricate the two Koreas.

If the U.S. imperialists had not occupied South Korea, our country would not have been divided for sure, and if the United States had not obstructed Korea's reunification, our country would have already been reunified a long time ago. The United States are the ones that divided our country and nation into the North and the South and is a ringleader obstructing reunification.

As long as the U.S. imperialists continue to occupy South Korea and obstruct our country's reunification, the relations between us and the United States cannot be improved.

With regard to North-South dialogue, while we are of the position to reunify the country and make one Korea, the South side is taking a splittist position.

The so-called recognition of entity, the maintaining of the status quo, and simultaneous entry into the United Nations, which the South side is bringing forth every time dialogue held, is following the U.S. imperialists' policy of two Koreas.

Nevertheless, the reason the U.S. imperialists are raving about our attitude in North-South dialogue is only to evade their natural responsibility while at the same time this is nothing but a scheme to make us accept the puppet's splittist proposal which is aimed at fabricating two Koreas.

The U.S. imperialists do not have the right or the face [chaemyon] to interfere in our internal affairs. The U.S. imperialists must throw away the wicked and treacherous intentions of fabricating two Koreas and must correct the bad habit of recklessly laying their responsibility on someone else's lap and ordering someone else around.

Also, at the debate meeting, Gregg raved about someone's provocation and said that the United States will do their utmost to deter the North's provocation which is a reckless scheme.

The whole world knows that there is no such thing as a threat to invade the South on the Korean Peninsula, but that only the danger of invading the North exists.

The reason the U.S. imperialists are talking about some kind of provocation and so on is only a ploy to legitimize their forced occupation of South Korea and aggressive maneuvers, and saying that they will do their best in restraint means that it is their scheme to further accelerate their war preparations to invade the North.

Currently, the world is moving toward detente and disarmament. Another trend is withdrawing one's military bases stationed in other countries.

North-South dialogue is also being carried out on the Korean Peninsula to dissolve political and military confrontation between the North and the South and to achieve peace and peaceful reunification.

There is no reason or excuse for the U.S. imperialists to remain any longer in South Korea. The U.S. imperialists must withdraw from South Korea at once taking along with them their aggressive forces and nuclear weapons and must no longer interfere in Korea's internal affairs.

This is what the United States must do to improve relations with us. If the U.S. imperialists continue to cling to the two Koreas policy and maneuvers for perpetual occupation, however, they will receive more criticism and denunciation from all the Korean people and peace-loving people of the world, making it inevitable for them to be expelled from South Korea.

U.S. Military Occupation in South Criticized

SK3010110590 Pyongyang KCNA in English 1024 GMT 30 Oct 90

["U.S. Imperialists' Desperate Moves To Freeze Korean Division"—KCNA headline]

[Text] Pyongyang October 30 (KCNA)—The U.S. imperialists' moves to perpetuate the division of Korea is under fire in NODONG SINMUN today.

The paper says in a by-lined article:

Korea has not yet been reunified, though 45 years have passed since it was divided, inspite of the unanimous desire and efforts of our people for national reunification. It is mainly attributable to the fact that the United States is trying hard to obstruct Korean reunification and freeze the division of the country.

The great leader Comrade Kim Il-Sung said:

"Trampling upon the sacred right of our people to self-determination, U.S. imperialists have made South Korea their exclusive colony and military base of aggression. They persist in their scheme to perpetuate the division of our country by rigging up 'two Koreas'".

For their aggressive nature and design of colonial domination, the U.S. imperialists are still resorting to the policy of keeping our country divided and stepping it up at an accelerated pace.

The U.S. imperialists' plot to divide Korea was framed in the thick of World War II. A document signed by the then U.S. President Roosevelt at that time says "Korean division along the 38th parallel is foreseen". According to this criminal plan, the U.S. imperialists hurled their troops on September 8, 1945 to occupy a half of Korea.

They said that their occupation of South Korea was for "disarmament of the Japanese forces". In those days, however, the anti-Japanese war had come to an end and there was no Japanese forces which should be disarmed in South Korea.

The U.S. imperialists' occupation of South Korea was, from every point of view, aimed at the division of Korea and colonial domination of South Korea.

Motivated by this purpose, they, going against the will of the entire Korean people, fabricated a pro-U.S. puppet regime and cooked up a U.S.-South Korea military agreement to legalize the U.S. occupation and military domination of South Korea.

They are barring Korean reunification, while continuously fostering distrust, antagonism and confrontation between the North and the South and rendering the military confrontation all the more acute.

The U.S. imperialists' moves to keep Korea divided indefinitely is clearly illustrated by the fact that they are persistently pursuing the "two Koreas" policy.

What is noteworthy in their "two Koreas" policy is that they handed to the South Korean puppets the script of the "northern policy" designed to inveigle socialist countries into their separatist moves. The "northern policy" is intended to have the existence of the two states on the Korean Peninsula confirmed worldwide and freeze Korean division.

The U.S. imperialists and the South Korean puppets are also hell bent on the "U.N. membership" moves. Painting South Korea as an independent state, they work hard to cover up the colonial rule of the U.S. imperialists and legitimize the division of Korea through the United Nations.

It is an unpardonable criminal act for the United States to seek South Korea's "unilateral entry into the United Nations" at a time when North-South high-level talks and inter-Korean dialogue concerning the U.N. membership problem are going on.

This is a wanton challenge to the Korean people and other peaceloving people across the world who want Korean reunification. This also shows how desperately the U.S. imperialists are trying to keep Korea divided indefinitely.

The Korean people will never allow the U.S. imperialists' moves to freeze the division of Korea.

'Preliminary Talks' With Japan on Ties Announced

SK3110044190 Pyongyang KCNA in English 0429 GMT 31 Oct 90

[Text] Pyongyang October 31 (KCNA)—Preliminary talks will be held in Beijing on November 3 and 4 at the level of department directors of the Foreign Ministries of the Democratic People's Republic of Korea and Japan as part of the inter-governmental negotiations for the opening of diplomatic relations between the two countries.

Return to Japan of Chongnyon Delegation Reported

SK3010114390 Pyongyang Domestic Service in Korean 1300 GMT 27 Oct 90

[Text] Various delegations, visiting groups, and athletic teams of the General Association of Korean Residents in Japan [Chongnyon] left Wonsan by the ship of Samjiyon-ho on 27 October after visiting the socialist fatherland.

They were seen off at the port by concerned functionaries. The groups which returned that day are: The delegation of Chongnyon advisors led by Kang Taekchung; the delegation of Korean musicians in Japan led by Choe Tong-ok, the standing advisor of the Union of Korean Literary Artists in Japan; the delegation of functionaries of the Chongnyon and League of Korean Youth in Japan [Chochong] led by Yim Wang-ho; the fatherland visiting group of Chongnyon and Chochong activitists led by Ho Myong-to; the 147th short-term fatherland visiting group of Korean compatriots in Japan; the fatherland visiting group of students of the Korean high schools in Japan led by Yi To-song; the Korean soccer team in Japan led by Kim Kwang-ho; and the Chongnyon rugby team led by (Chon Won-sil).

Politburo Members Bid Farewell to Chongnyon Group

SK3010111190 Pyongyang KCNA in English
1035 GMT 30 Oct 90

[Text] Pyongyang October 30 (KCNA)—The congratulatory group of Koreans in Japan headed by Han Tok-su, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), left here today after participating in the celebrations of the 45th founding anniversary of the Workers' Party of Korea.

It was seen off at the airport by Pak Song-chol, Yun Ki-pok, Chang Chol and Chairman Yi Kye-paek of the C.C. [Central Committee], the Korean Social Democratic Party and other officials concerned.

During its stay in the homeland the congratulatory group visited Mangyongdae and went round revolutionary battle sites and historical sites in Pyongyang and Yanggang Province.

Japanese Group Urges End of South's Security Law

SK2810101690 Pyongyang KCNA in English
1001 GMT 28 Oct 90

[Text] Tokyo October 26 (KNS-KCNA)—Kim Chong-su, chairman of the Association of Koreans in Japan for Peaceful Reunification made a public statement on October 24, strongly urging the South Korean authorities to abolish the "National Security Law [NSL]" and release those who visited the North and all the political prisoners.

Recalling that the South Korean authorities released on October 20 Rev. Mun Ik-hwan who has been kept in jail for one year and a half on the charge of violation of the notorious "NSL", he said that "this step was taken under the pressure of the ever-mounting public opinion at home and abroad and particularly the demand of the representative of the DPRK for the release of visitors to the North at the North-South High-Level Talks."

Noting that it can never be tolerated for the South Korean authorities to leave behind bars still now woman student Yim Su-kyong, Yu Won-ho and Father Mun Kyu-hyon who are also visitors to the North, he branded this as an act going against the entire nation's desire for reunification.

The visitors to the North and all the political prisoners must be released without delay, he said.

Korean Heroes, CPV Delegates Hold Meeting

Speeches Made by Delegates

SK3110034590 Pyongyang Domestic Service in Korean
2200 GMT 24 Oct 90

[Text] A meeting between heroes of the republic and members of the delegation of heroes of the former Chinese People's Volunteers [CPV] was held in the Memorial Hall for Victory in the Fatherland Liberation War on 24 October.

Present there were Chon Chae-son, colonel general of the Korean People's Army [KPA], heroes of the republic, and members of the delegation of heroes of the former CPV led by Lt. Gen.[Lieutenant General] Yao Xian, deputy commander of the Beijing Military Region and commander of the Air Force of the Beijing Military Region of the Chinese People's Liberation Army [CPLA] who came to participate in the commemorative events marking the 40th anniversary of the participation of the CPV in the Korean front.

When the members of the delegation, who registered heroic exploits in combat against the U.S. imperialist aggressors shoulder to shoulder during the days of the Fatherland Liberation War in the past, arrived at the site of the gathering, our heroes embraced them and warmly greeted them.

At the meeting, Yi Hwal, Kim Song-chin, Kim Sang-won, Hong Ki-so and Chon Ki-chol, heroes of the republic, made speeches.

They said that at this gathering, they recall with deep emotion the days of the fierce combat when the Korean people and soldiers of the KPA repelled the U.S. imperialist aggressors shoulder to shoulder with the CPV. They noted that they send warm [yolyolhan] militant greetings to the fraternal Chinese people and commanders and members of the CPLA.

They said with emphasis that even under the difficult situation when the revolution had just won the victory, the fraternal Chinese people dispatched the volunteers' army to the Korean front under the banner of "Resist America, aid Korea, safeguard the home, and defend the nation" and thus showed a lofty example of the spirit of proletarian internationalism.

They pointed out that during the days of war, the KPA soldiers and the CPV registered exploits in the struggle to crush the U.S. imperialist aggressors shoulder to shoulder, and that the achievements made by the fighters of the CPV during the Korean war and in the postwar rehabilitation works will remain in our memory forever.

In the meeting, Yo Xian, head of the delegation, said that he recalls with deep emotion the combat scenes of the time when the air force of the CPV and air force of the KPA destroyed the enemy's airplanes together.

He stressed that the two peoples of China and Korea won great successes in the fight to repel the U.S. imperialist aggressors shoulder to shoulder during the past days of war, and that peerless courage demonstrated by a number of heroes during the Korean war will remain in his memory forever.

(Cui Jiqiang), member of the delegation, said that he volunteered to participate in the Korean front at the age of 18, being unable to endure any longer seeing the American rascals destroying cities and farms in Korea and massacring the peaceful residents. He then explained with feeling stories about the CPV and KPA soldiers smashing the enemy in many battles.

He stated that after the war, the Korean people built Pyongyang, which was reduced to a wasteland, into a beautiful and excellent city under the wise leadership of President Kim Il-song, their great leader, and of the Workers' Party of Korea.

At the meeting, (Huang Jiao), (Jao Guongwon), (Sou Chenyang), (Sang Myieng) and (Yu Beigou), members of the delegation, made speeches.

The meeting ended with the singing of "The Song of General Kim Il-song" and "East is Red."

Prior to this, the delegation toured the Commemorative Hall for Victory in the Fatherland Liberation War.

Delegation Ends Visit

SK3110105090 Pyongyang Domestic Service in Korean 1300 GMT 29 Oct 90

[Text] The heroes' delegation of former Chinese People's Volunteers [CPV], led by Lieutenant General Yao Xian, deputy commander of Beijing Military Area and air force commander of Beijing Military Area of the Chinese People's Liberation Army, which had attended the celebration functions marking the 40th anniversary of the entry of the CPV into the Korean front, flew home today.

Numerous working people and soldiers of the People's Army in the city were present with bunches of flowers at the airport to send off the Chinese guests. Seen in the multitudes gathered to send off the delegation were slogans which read "Long live the glorious Workers' Party of Korea," "Long live the great CPC," "Long live invincible, militant friendship and solidarity sealed in blood between the peoples and armies of the two countries of Korea and China," and "Let us inherit and develop the traditional Korean-Chinese friendship generation after generation."

When the guests arrived at the airport the multitudes warmly sent them off. Colonel General Chon Chae-son of the Korean People's Army [KPA], other KPA generals and officers, and staffers of the PRC Embassy in our country sent the delegation off. A member of the Children's Union gave a bouquet to the head of the delegation.

PRC Spokeswoman Confirms Good Relations

SK2710050690 Pyongyang KCNA in English 0418 GMT 27 Oct 90

[Text] Beijing October 25 (KCNA)—The traditional friendly relations between China and the Democratic People's Republic of Korea will constantly develop in the future.

A spokesman for the Ministry of Foreign Affairs of China said this, answering a question on the Korea-China relations put by a reporter at a news briefing on October 25.

The spokesman said that the great friendship forged with blood between the peoples of China and Korea has consistently strengthened and developed, overcoming all rigorous trials.

In recent years, the leaders of our two countries, she stressed, have consolidated friendship between the two countries still further through their mutual visits on many occasions.

Noting that the two countries have always supported each other and conducted wide-range exchange and cooperation in different domains of politics, the economy, culture, science and technology, she said that China and Korea have closely cooperated and supported each other in the international arena, too.

The two countries have achieved excellent success by cooperating with each other in safeguarding peace in Asia and the rest of the world and promoting solidarity of the Third World and the progress of mankind, she noted.

Hong Si-hak Meets Shanghai Friendship Group

SK2910045590 Pyongyang KCNA in English 0446 GMT 29 Oct 90

[Text] Pyongyang October 29 (KCNA)—Hong Si-hak, alternate member of the Political Bureau of the Central Committee of the Workers' Party of Korea, chief secretary of the South Hamgyong Provincial Committee of the WPK and chairman of the South Hamgyong Provincial People's Committee, on October 28 met and had a friendly conversation with the Shanghai municipal friendship delegation of China headed by Ni Hongfu, deputy secretary of the Shanghai Municipal Committee of the Communist Party of China, staying in Hamhung.

The head of the Chinese delegation said that through the visit to Hamhung, he deeply felt how much the fraternal Korean people value the Sino-Korean friendship. The friendship between the two peoples which was forged with blood in ordeals and has been developed and consolidated will remain unchanged in the future, too, he added.

Recalling that China and Korea are advocating and defending socialism, he stressed: The peoples of the two countries will surely build socialism, cooperating and supporting each other.

Chinese Joint Venture Restaurant Opens

SK2810090090 Pyongyang KCNA in English 0837 GMT 28 Oct 90

[Text] Pyongyang October 28 (KCNA)—The Chongchun Restaurant run by Korea-China joint venture was opened. With a plottage of more than 10,000 square metres and 2,000 seats the restaurant serves mainly famous Korean and Chinese national dishes.

The splendid Chongchun Restaurant built in Kwangbok Street, Pyongyang, will be helpful to the citizens and sportsmen in their life and conducive to fuller blossoming of the daily developing Korea-China friendship.

The opening ceremony was held Saturday. So Un-hae, vice-chairman of the State Sports Commission, addressed the opening ceremony. He stressed that the restaurant will be well managed as a service centre giving deep impression of Korea-China friendship, with the full display of the spirit of Korea-China friendship and cooperation treasured by the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il.

The vice-chairman of the Liaoning Provincial External Economic Trade Commission of China, speaking next, said: The opening of the Chongchun Restaurant means the entering of the economic cooperation between the two sides into a new phase and the restaurant will be operated well through the joint efforts and close cooperation. This joint venture will make a new contribution to the development of friendly relations between the Chinese and Korean peoples, he stressed.

A party was given Saturday evening upon the opening of the restaurant.

O Chin-u Meets With Romanian Ambassador

SK3110043190 Pyongyang KCNA in English 0414 GMT 31 Oct 90

[Text] Pyongyang October 31 (KCNA)—Minister of People's Armed Forces O Chin-u on October 30 met and conversed with Aureliu Ioan Lazar, newly-appointed Romanian ambassador to Korea, when the latter paid a courtesy call on him.

Foreigners Comment on West Sea Barrage

SK2510221990 Pyongyang KCNA in English 1504 GMT 25 Oct 90

[Text] Pyongyang October 25 (KCNA)—Foreign guests who had participated in the celebrations of the 45th founding anniversary of the Workers' Party of Korea expressed wonder at the economic potentials of Korea, saying it is a miracle that the Korean people built the world's leading West Sea barrage 8 kilometres long in the rough sea in a short span of time.

Mansur Razavi, vice-president of the Islamic Republic of Iran, said it is marvelous that the Korean people built the West Sea barrage which is greatly conducive to the economic development of the country and the improvement of people's living with their own designs and technologies, their own efforts and materials under the wise leadership of the party.

Noting that he learned well about the inexhaustible strength of the Korean people who built successfully the West Sea barrage, a grand monumental edifice, Giani Zail Singh, former president of India, said the Korean people are an industrious and brave people who devote their all to the country.

A.K. Simuchimba, minister of information of the Republic of Zambia, stressed that such edifices of world level as the West Sea barrage could be built only by the Korean people who are engaged in socialist construction, holding high the banner of the chuche idea under the wise leadership of the great President Kim Il-song.

Saying the Korean people built the enormous barrage which is of great economic value by their own efforts, Sawas Bunturng Sook, advisor to the deputy leader of the Social Action Party of Thailand, noted that this is a result of the wise guidance of the great President Kim Il-song and his excellency dear Kim Chong-il.

Gregory Avril, minister of communications and member of Parliament of St. Lucia, said the West Sea barrage is enough to show the economic potentials of Korea and the inexhaustible creative ingenuity of the Korean people.

Noting that the industrious Korean people have set brilliant world-startling examples in socialist construction under the leadership of President Kim Il-song, he stressed that the world progressive people should learn from the experience of Korea.

Sa-at Piyawan, first deputy leader of the National Party and president of the League of Foundations of Thailand, said that His Excellency the great President Kim Il-song is the outstanding and wise people's leader who warmly loves the country and people.

Workshop on UNDP Assistance Anniversary Opens

SK2610054590 Pyongyang KCNA in English 0531 GMT 26 Oct 90

[Text] Pyongyang October 26 (KCNA)—A workshop on the development of man was held at the University of National Economy Thursday on the occasion of the 40th anniversary of the start of the technological assistance of the United Nations Development Program [UNDP].

Present there were Vice-Minister of Foreign Affairs Choe Su-hon, Vice-President of the University of

National Economy So Pong-chang, other officials concerned, resident representative of the UNDP here Henning Karcher and members of special and affiliated organizations of the United Nations.

A report by the resident representative of the UNDP on the issue of the development of man was followed by speeches.

Discussed at the workshop were issues on the role of man in the development of social economy, planning for the development of man, education, health service and international cooperation.

Hong Si-hak Appointed Vice Prime Minister

SK3010222490 Pyongyang Domestic Service in Korean 2100 GMT 30 Oct 90

[Decision by the DPRK Central People's Committee, CPC; released on 30 October in Pyongyang and signed by President Kim Il-song—read by announcer]

[Text] The DPRK CPC decides as follows:

1. It appoints Comrade Hong Si-hak as vice prime minister of the DPRK State Administration Council.

2. In connection with the assignment of Comrade Paek Pom-su to other work, it relieves him of the post of chairman of the Agricultural Committee and appoints Comrade (?Kim Won-chin) as its chairman.

[Signed] DPRK President Kim Il-song
[Dated] 30 October 1990, Pyongyang

Choe Tae-pok Attends Broadcast Committee Meeting

SK3010043790 Pyongyang KCNA in English 0418 GMT 30 Oct 90

[Text] Pyongyang October 30 (KCNA)—A meeting was held at the People's Palace of Culture on October 29 to mark the 45th anniversary of the establishment of the Radio and TV Broadcasting Committee of the Democratic People's Republic of Korea.

Choe Tae-pok, alternate member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea [WPK], conveyed the congratulatory message of the WPK Central Committee to the personnel of the broadcasting committee.

Over the past 45 years since its establishment, the Radio and TV Broadcasting Committee has honorably discharged its noble mission and duty at the outpost of the party's ideological front, the message says, and continues:

In the whole course of the revolutionary struggle, the broadcasting committee has always resolutely defended and safeguarded the party and the leader politically and ideologically and actively striven to strengthen the party's unity and the ties of kinship between the party and the masses.

Our radio and television broadcasting has armed the entire people with the great chuche idea and the Korean-nation-first spirit and powerfully roused them to the implementation of the party policies, thus making a great contribution to strengthening the driving force of our revolution and turning our country into the chuche motherland of independence, self-sustenance and self-reliance in defence with the most superior socialist system.

The message highly estimates the entire personnel of the Broadcasting Committee who have performed great exploits in discharging the mission of broadcasting as a powerful weapon for the revolution and construction by devoting all their wisdom and energies with their ardent fidelity to the party and the leader.

Chong Ha-chol, chairman of the Radio and TV Broadcasting Committee of the DPRK, delivered a report.

Recalling that the great leader Comrade Kim Il-song, basing himself on the glorious revolutionary traditions created during the anti-Japanese revolutionary struggle, established the broadcasting committee, a new-type revolutionary broadcasting organ of chuche as the voice of the party and the voice of new Korea after the country was liberated, the reporter said:

Comrade Kim Il-song founded the chuche-based ideology and theory on broadcasting by applying the chuche idea in broadcasting, brightly indicated the road ahead of the broadcasting and wisely led it to admirably carry out its mission and role.

Our broadcasting which has traversed a victorious road full of glory under the wise leadership of Comrade Kim Il-song has entered a new higher stage of its development under the energetic guidance of dear Comrade Kim Chong-il, the reporter said, adding:

Dear Comrade Kim Chong-il originally clarified the fundamental principles of building a chuche-based broadcasting on the basis of the revolutionary outlook on the leader, gave perfect answers to all the theoretical and practical questions in improving broadcasting such as programming, writing, depiction and editing of broadcasting to meet the requirements of the developing realities and has wisely led broadcasting service.

The reporter called for upholding and glorifying the exploits performed by the party in the field of broadcasting and its chuche-based broadcasting idea and theory so as to increase the militant might of broadcasting and air loudly the voice of the party and the voice of the revolution.

A letter of pledge was adopted at the meeting.

Daily Discusses Kim Chong-il's Recent Work

SK3010113190 Pyongyang KCNA in English
1045 GMT 30 Oct 90

[Text] Pyongyang October 30 (KCNA)—Dear Comrade Kim Chong-il in his recent work "The Workers' Party of Korea is the organizer and guider of all victories for our people" gave a comprehensive exposition of ideas and theories in further strengthening and developing our party into a revolutionary party of chuche type.

This work serves as a great programme for party building as it gives comprehensive answers to theoretical and practical questions arising in party building along with the progress of socialist construction, says NODONG SINMUN in an article today.

The article quotes dear Comrade Kim Chong-il as saying:

"As in the past, so in future, too, we must pay the primary attention to the consolidation of the party and continue to strengthen and develop it into a revolutionary chuche-type party, thereby increasing its fighting power and ability of leadership to enable it to acquit itself of its revolutionary duty with credit."

It reads in part:

The work, above all, indicates the way of steadfastly defending the chuche-based character of our party on the basis of a profound analysis of the importance of maintaining the revolutionary character of a party.

The work proves that our party has strengthened and developed into a chuche-type party as it has been built with the chuche idea as its guiding idea and clarifies the idea of hastening the work of patterning the whole party after the chuche idea.

Our party has carved out the absolutely correct road in the building of the revolutionary party in the era of independence. When others were experiencing setbacks, our party has been able to uphold the revolutionary banner without the slightest vacillation. This is because party building and party activities have been carried out, guided by the chuche idea.

The work expounds that it is an important matter for maintaining the revolutionary character of our party to strengthen its social and class foundation still further.

The mass character of our party has made it possible for our party as a working-class party to accelerate its development into a revolutionary party of the working class which is deeply rooted among the broad masses, instead of weakening its class character.

Dear Comrade Kim Chong-il, basing himself on his analysis of the characteristics of the class relations in socialist society, expounded the original idea that as socialist construction progresses, the social and class foundation of the party will be strengthened further.

Since the work clarifies the idea of defending the revolutionary nature of the party,the guideline for defending the revolutionary nature of our party as a chuche-type party was provided and the working-class party was given a powerful weapon to defend its essential nature and a heavy blow was dealt at the imperialists trying to paralyse the nature of the party.

The work also gives comprehensive answers to the matters of principle in defending and consolidating the unity and cohesion of the party and clearly indicates the way of strengthening and developing our party into an iron party.

Our party's unity and cohesion was achieved through the staunch struggle to model the whole party after one idea, the chuche idea.

Dear Comrade Kim Chong-il in the work expounded a unique idea of closely combining democracy with centralism as the organizational principle of the party.

The work analyses and sums up the principles which our party has observed to firmly cement its kindred relations with the masses and the achievements it has made by applying them and comprehensively indicates the ways of further strengthening the kindred relations between the party and the masses.

As a result, the guideline for strengthening and developing our party forever into an invincible party which is closely linked with the masses was provided and the principle of party building which calls for building the working-class party into a powerful, invincible party was expounded from a new angle.

Editorial Stresses Need To Fulfill Year's Plan

SK2810030090 Pyongyang Domestic Service in Korean
0009 GMT 23 Oct 90

[NODONG SINMUN 23 October editorial: "Let Us Further Strive To Fulfill Successfully This Year's Plan"]

[Text] Currently, our people are vigorously struggling to carry out successfully this year's economy which has been highly put at the forefront.

There are only two months remaining in this year's battle which has been carried out and filled with faith by highly upholding the slogan of "production and conservation." This has been carried out from the beginning of this year according to the appeal of the party.

During this short period, we must without fail fulfill this year's militant task. The overwhelming task put before us demands that all party members and workers must strive in a revolutionary way more than ever before so that production and construction can be further carried out with vigor.

Comrade Kim Chong-il, member of the Presidium of the Central Committee of the Workers' Party of Korea

[WPK] Political Bureau and secretary of the party Central Committee has taught: If one wants to be truly faithful to the party, one must possess the revolutionary trait of unconditionally and thoroughly abiding by the party's task under any circumstances.

This year is the first year of the nineties. This year's economic construction battle must be successfully completed so that the next battle can be carried out successfully. Therefore, this kind of success must be expanded continuously so that the hopeful nineties can be a decade of making boundless rapid progress.

This year's last quarter battle is currently being carried out. At this time, there are still many tasks left before us. This kind of reality demands that the functionaries and workers gain new determination and work habits to further enhance the flames of the great revolutionary upswing.

All the functionaries and workers must highly uphold the demand of the party to complete successfully this year's battle and unanimously and vigorously launch into it.

What is most important in successfully completing this year's battle is for the functionaries and workers to grapple with the resolute determination of unconditionally carrying out the people's economic plan which the party is entrusted with.

Everything is determined by ideology. However difficult the task, if one has the ideological determination to carry it out without fail, there is nothing that cannot be achieved.

Currently, our party is appealing to all the functionaries and workers to work two shares and three shares of their work by being motivated ideologically in accordance with the intense militant task.

Now is the time for all party members and workers to carry out the unyielding struggle with blazing loyalty to the party and the leader and extraordinary ideological determination, so that they can rightfully repay the party's high expectations with innovative results.

In whatever work, one can be successful only when one has faith. Even though the tasks that must be fulfilled from now until the end of the year is enormous if one sticks to it with faith, methods can be found and the entangled problems solved.

All the functionaries and workers must achieve the task entrusted upon by the party by themselves without fail and stick to it in a revolutionary way with the resolute determination of easily carrying it out.

If one sticks to conditions in carrying out the revolutionary task, innovations cannot be achieved. The reason the feats of the constructors and soldiers of the People's Army who built monumental creations of our era including the Sohae flood gate are being enhanced as such, is that they overcame whatever unfavorable conditions by themselves and resolutely abided by the promise that was made before the party.

This year's economic plan which the functionaries and workers are entrusted with is a legal task which has already been resolved in front of the party and state.

All the functionaries and workers must further strive in a revolutionary way with the rock-firm faith of carrying out the work if the party is determined and with the revolutionary spirit of self-reliance and fortitude. Therefore, inner reserves and possibilities must be mobilized to its utmost and stabilize production at a high level. Thus, this year's plan which has been entrusted upon in their units and sectors must be carried out without fail.

To victoriously complete this year's economic construction battle, the organization and command of the battle must be further planned in a revolutionary way.

All things are dependent upon how they are organized. This can be shown from the experiences of the units which have already carried out this year's plan. It shows that in units where the functionaries carry out the economic organization work earnestly and persistently, innovations are brought forth.

At a time when enormous tasks must be achieved in a short period of time, the functionaries must, more than ever before, carry out the organization and command of the battle with vigor and in a militant way.

All the functionaries must have the great responsibility of being a commanding member of the revolution and deeply mingle with the masses to rouse them and work hard at difficult tasks so that these problems can be solved in the forefront. Also they must organize and command the battle in a mobilized way in accordance with the situation.

Therefore, the drumbeat of the revolution can be further loudly heard in every battlefield and work must be made so that the mass struggle to carry out this year's plan ahead of schedule can be achieved actively.

All battles can achieve results only when it is carried out in a methodical and logical way. At a time when the situation is tense, there is more need to have an overall understanding of the situation and establish a correct method according to the actual circumstances so that it can be carried out practically.

All the functionaries must correctly understand and have a grasp of what tasks are left in this year's plan, where it must be emphasized, and what problems must be solved first when carrying it out. Therefore, they must establish concrete measures to achieve them.

What is important in the economic organization work of the functionaries is the supply work. If conditions for supply are provided well, production can be greatly enhanced.

The ministries and committees of the State Administration Council and functionaries of plants and enterprises must work hard in insuring the necessary conditions for production so that the producer masses can work within the given labor time according to their ability. Therefore, conditions for supplies such as raw materials and materials must be in gear with each other.

It is especially important in a socialist society to organize the cooperative production well under the condition that production becomes a cooperative production from an all social scope.

In the ministries and committees of the State Administration Council and complexes, cooperative production must be further organized well and a strict rule must be established so that the cooperative products which are in gear with the units and plants and enterprises can be insured for production.

Especially, the functionaries must thoroughly abolish the self-centered situation in the cooperative production and from the national position and the communist collective principle, they must smoothly supply the cooperative products being supplied to other units according to the contract.

The role of the party organizations is very important in successfully carrying out this year's militant task. As the political planning staff of the related units of the party organizations, they are responsible before the party in carrying out this year's plan.

If the party organizations organize and mobilize the revolutionary fervor of the party members and workers well, this year's plan can be achieved easily. Since the party organizations at all levels upheld the decisions of the 17th plenary session of the sixth WPK Central Committee from the beginning of this year and carried out the political work well that vigorously roused the masses into the production and conservation struggle, the struggle to victoriously complete this year's battle can be further carried out resolutely so that it can rouse the masses to launch the political propaganda offensive.

The party organizations must correctly make the party members and workers understand that victoriously completing this year's battle is a most important work in displaying the might of our party and our country's socialism, and that before and after the great Chollima upswing period, the party members and workers must with that spirit and vigor carry out the resolute struggle so that they can be organized and mobilized to achieve this year's economic plan without fail.

If this year's battle is to be carried out well, the role of the functionaries must be enhanced. The party organizations must deeply be aware of the heavy responsibility of all the functionaries in which the party and revolution have put forth and must actively help and support them so that they can highly manifest the revolutionary spirit and organizational ability.

The lofty revolutionary spirit of our people is to complete to the end the militant task presented by the party under any difficult circumstances. All the party members and workers must further highly manifest this kind of invincible struggle trait and by victoriously completing this year's battle, they can enhance the first year of the hopeful nineties and thus will be able to further highly display our people's might for unity and the superiority of our country's unique socialism which is pressing hard on the heels of the enemy.

Successes in Economic Production Noted

SK3110101190 Pyongyang KCNA in English 1003 GMT 31 Oct 90

[Text] Pyongyang October 31 (KCNA)—A great upswing is being effected in production in different sectors of the national economy of Korea.

The Sunchon District coal mining complex produced 37,000 more tons of coal in the last 20 odd days than the same period of last month.

The transport workers under the Ministry of Railways transported hundreds of thousands of more tons of freight this month than last month.

The industrial establishments under the Ministry of Chemical Industry are increasing the production of various chemical fibres.

The February 8 vinalon complex raised the output of vinalon 20 percent these days as against the same period of last year.

The Chongjin chemical fibre complex increased the production of staple fibre 70 percent and that of rayon yarn 25.6 percent.

The Pyongyang municipal general bureau of garment industry overfulfilled this year's plan by 3 percent as of October 23.

Capital Housing Progressing at Fast Rate

SK2510221790 Pyongyang KCNA in English 1501 GMT 25 Oct 90

[Text] Pyongyang October 25 (KCNA)—The construction of residential houses for 50,000 families in the capital to be completed by the end of 1991 is progressing at a fast rate in Korea.

The builders in the capital city have completed houses for 20,000 families and assembled houses for 16,000 families among those started this year.

The builders of Tongil Street have brought into shape the straight main road four kilometres long and 120 metres wide and built high and super-high buildings for nearly 7,000 families on its both sides this year.

The street with eight blocks will have houses for 20,000 families by the end of 1991 and for tens of thousands more families in future.

The builders of Kwangbok Street are working to build houses for 10,000 more families in the second stage. They have assembled 25-story and 30-story houses for hundreds of families each.

The housing construction is also underway in other parts of the capital city including Sokbongdong.

Power Plant Construction Accelerates

SK3010112590 Pyongyang KCNA in English 1038 GMT 30 Oct 90

[Text] Pyongyang October 30 (KCNA)—The construction of power stations is progressing at a fast speed in Korea.

Thermal power plants are now under construction in the capital city of Pyongyang and in Pyongsong, Nampo, Sariwon, Hamhung, Kim Chaek and other places of local cities.

In the past one year since its ground-breaking, the constructors of the East Pyongyang thermal power plant have carried out 80 percent of the projects of boiler No. 1, the chemical water-filtering station, the railway leading to the plant and industrial water pipes.

During the period, they carried out 730,000 cubic metres of earth work and 20,000 cubic metres of concrete tamping and assembled 2,000 square metres of pre-fab parts.

The builders of the December thermal power plant are now assembling pre-fab parts for the walls of boiler rooms and the roofing in the final stage and stepping up the assembling of boilers Nos. 5 and 6 after the completion of the assembling of four large-size boilers.

The construction of hydraulic power stations is progressing apace in Yongwon, the River Nam, the river Kumya, the River Orang, the river ryesong and other rivers.

The builders of the Namgang power station carried out 350,000 cubic metres of foundation excavation and 200,000 cubic metres of concrete tamping of the dam in the two years since its ground-breaking, carrying out a colossal amount of damming and water-proof wall projects of structures.

Having set themselves the goal of completing the dam building within a few months, they have increased the speed of the project 1.2 times as against the same period last month.

The workers of the Wiwon power station are moving up the day of general commissioning by accelerating its assembling at the final stage, while producing electricity through a partial commissioning.

Entering this year, the builders of the minor power stations have built 100 odd power stations and finished the damming projects of more than 320 power stations and are now assembling equipment.

With the construction of the Taechon power stations, the sunchon thermal power plant, the Chongjin thermal power plant and many other large-size and minor power stations, the generating capacity has increased 40 percent in recent years.

Open-Cast Coal Mine To Increase Production

SK2510222190 Pyongyang KCNA in English 1511 GMT 25 Oct 90

[Text] Pyongyang October 25 (KCNA)—A large-scale open-cast coal mine is being developed in the Anju district in the western part of Korea.

The mine with rich deposits will be an open-cast general coal mining enterprise under the Anju area coal mining complex.

According to a survey, coal deposits can last for nearly half a century, assuming that more than dozens of millions of tons are excavated annually.

The open-cast coal mine will produce 2.5 times as much coal as is turned out by the Anju district coal mining complex now.

The designing has been completed in the main and the open-cast general coal mining enterprise and an earth-scraping station, a heavy machine station, a construction station and other stations under the general enterprise have been formed to promote the development of the coal mine.

The Anju district coal mining complex is a mighty coal producer of Korea.

The complex reconstructed on an expansion basis large-scale coal mines such as Ipsok, Taehyang and Samchonpo mines and developed Sosa, Soho, Changdong and other coal mines in the 1970s and the 1980s. This nearly doubled the coal output in five years from the end of the 1970s to the beginning of the 1980s. The long-term objective of the complex is to produce 70-100 million tons of coal a year.

South Korea

Approach to N-S Premier Talks Criticized

SK2910071790 Seoul CHOSON ILBO in Korean 28 Oct 90 P3

[Editorial: "Isn't There Any Established Pattern in Dealing with North-South Relations?"] [Text] The reactions at home and abroad to the North-South premiers' talks which were held twice in Seoul and Pyongyang alternately are various. Unlike the heated and restless atmosphere at home, the press in the United States assumed rather a very cold-hearted and prudential attitude toward the talks. Even the mass media of the Soviet Union, which had been a friendly country of North Korea till yesterday, reported that the North-South premiers' talks produced little progress.

Even domestic mass media seems to begin, of late, to have somewhat prudent views on the talks. At an experts' meeting presided over by Prime Minister Kang Yong-hun on 24 October, the experts reportedly urged the government to assume a prudent attitude in enforcing its policy toward North Korea. In particular, they urged the government to be more prudent on the issues of North-South summit talks and a nonaggression declaration.

What we are also concerned about are these two issues. First, will the North-South summit talks be the most reasonable way to achieve our final goal, national reunification? Those who have advocated the need for North-South summit talks reportedly believe that North-South summit talks will become a breakthrough or shock therapy to solve relations between the North and the South as was seen in the ROK-Soviet summit talks.

However, we cannot identify Gorbachev, who has declared the "restoration of humanity" of socialism, while renouncing the revolution, with Kim Il-song who is persisting in the struggle, forming a nationwide united front, to achieve "the revolutionization and working classification of the people." Prior to holding North-South summit talks we must get assurance from the North Korean authorities that they will liquidate all crimes that they committee in the past, including the 25 June Korean war, and that they will renounce the revolution for communizing South Korea and restore the humanity of socialism. Holding summit talks without such assurance is tantamount to an act which not only denies our own existence and buries the crimes that North Korea committed in the past, but also commits the complicity of trampling underfoot the freedom and human rights of North Korean people.

Today's international situation clearly goes in the direction of breaking away from ideology. However, as we continue to negotiate without a firm principle with the powerful forces which have desperately tried to adhere to the ideology of the old era, those who will meet with disaster arising therefrom are none other than ourselves.

Second, on the issue of nonaggression declaration, its basis should be a perfect peace system under which only North and South Korea become its main forces. Otherwise, it will be meaningless. As we have indicated in this column many times, a nonaggression declaration will be meaningless unless the present Armistice Agreement which was signed by the United States, China, and North Korea is liquidated and unless trust is built between the North and South Korean authoriies. In his policy speech on 25 May this year Kim Il-song stressed that "the North and the South should adopt a nonaggreession declaration and a peace agreement should be signed between Korea and the United States." In a nutshell, North Korea's aim is to bind South Korea with the so-called "nonaggression declaration" and to directly negotiate with the United States, making it a direct partner while pushing aside South Korea.

This notwithstanding, the recent behavior of our authorities give us the strong impression that they seem to unconditionally keep after North Korea to hold "North-South summit talks" and to sign a "North-South nonaggression declaration" without any logic or principle that our people can accept.

Apparently being conscious of such an unstable and irritable attitude on the part of our side, head of the North Korean delegation to North-South premiers' talks who visited President No Tae-u at Chonwadae did not hesitate to make the arrogant remarks that "if our three prerequisites, including the release of student Yim Su-kyong, are met, North-South summit talks may be realized within your [President No's] term of office." How dare the North delegate speak to him like that? What has caused the North delegate to speak to him like this? We cannot but deplore this. Our ministers and minister-level officials who have been to Pyongyang should again be prudent during negotiations with the North.

Daily Demands Prudent Approach to Summit Talks

SK3110044590 Seoul TONG-A ILBO in Korean 29 Oct 90 p 2

[Editorial: "A Myth of North-South Summit Talks—Top Priority Should Be Given to Political Stability Without Hastening Summit Talks"]

[Text] The majority of government officials do not want a hasty approach toward North-South summit talks, but demand prudence in dealing with them. This is desirable. The problem is that the minority of them persist in holding the summit talks early by accommodating to some extent North Korea's demand for adopting a nonaggression declaration.

North-South summit talks must be convened some day. The talks can be held because of the North's hastiness. But the rough-and-ready manner of trying to reap fruit before it has ripened can be futile. We want to ask the minority whether they judge that fruit has now ripened because if the "substantial power-holders" are in the minority, the government's policy will be decided that way.

There should be a grand compromise on a nonaggression declaration at the third round of premiers' talks in December to hold the summit talks with a proviso presented by North Korean President Kim Il-song. There also must be concessions, though superficial, to the three pending issues North Korea has raised. We believe this prompts the majority to demand a prudent approach to the summit talks.

The term "nonaggression declaration" itself is attractive. But such a declaration demands complicated procedures such as inspections and enforcement. A nonaggression declaration can escape nullification only if it is based on complete trust or when deterrents are established to counter violation of the declaration. But the North and South should thoroughly form relations of trust rather than those of power. If establishing relations of confidence is questionable, can 45 years of absolute distrust be removed through North-South summit talks alone?

The situation can be different when nonaggression has been resolved through not a declaration, but an agreement or treaty. This is because a treaty is effective only after the National Assembly has endorsed it. When the National Assembly discusses a treaty, our people, through this representative organization, can truly understand the true nature of the demand for nonaggression. A minority of the government appears to underestimate the North Korean strategy of hastening summit talks to lay a basis for a U.S. withdrawal from the South, the signing of a North Korean-U.S. peace agreement, and Japanese-North Korean negotiations over compensation. The minority, furthermore, have even shown interest in a "declaration" which requires no National Assembly approval. We point out that this approach proceeds from the unreasonable concept of trying to hold North-South summit talks early.

Were they hasty in this conception? In Pyongyang, our delegation left deciding the agenda items and the date for the North-South summit talks to the North Korean side. We wonder if our delegation confused the nature of the North-South summit talks with that of the U.S.-Soviet summit talks between Gorbachev and Bush, who opened a new era of detente. North-South relations are different from those between the United Stats and the Soviet Union. Several rounds of working-level talks will be required even in deciding on an agenda item. A prudent approach also is needed when we consider relations with friendly countries which are linked to our security interests. The interests of friendly nations in such cases would comply with those of the Soviet Union and China.

Remember that the North-South issue is not dealt with for a ruler's achievement, but to determine the life and property of individuals and society and the nation's future. Ignoring this point and making a hasty decision could even lead to a demand for the president's resignation.

We are also discouraged by another astounding fact. It has been said that each member of our delegation, while in Pyongyang, paid attention only to his own way of thinking and because of this, the delegates failed to form a consensus.

We do not want to believe this. If this was true, it can only be a deplorable attempt at exploitation, and monopolizing that exploitation. We also wonder who decides North-South relations and through what channel he decides it. Does a substantial power-holder still exist behind the scenes?

In view of the recent political situation, we can only doubt whether politicians are able to make progress in North-South dialogue. Politics marked by a power struggle and selfishness by so-called political leaders are reminiscent of those during the 19th century.

The National Assembly, which has already discarded its representative function, has no interest in a problem as grave as national reunification. If politics had not collapsed this way, the so-called minority group in the government would not exist and the public's confusion would be cleared up by the National Assembly. Thus, the people may have firmly restored stability and confidence. Today's political situation, however, only affords North Korea an opportunity to misjudge. As a result, North Koreans will come to Seoul in a stately manner without feeling any need to change. What is pressing is not North-South summit talks, but domestic politics.

We want to give President No Tae-u a piece of thorny advice on this point.

Upcoming Japanese-North Talks in Beijing Noted

SK3110023190 Seoul YONHAP in English 0217 GMT 31 Oct 90

[Text] Tokyo, Oct. 31 (YONHAP)—Japanese and North Korean officials will meet in Beijing to discuss normalization of relations on Saturday and Sunday, the Japanese Foreign Ministry announced Tuesday.

It will be the first time since World War II that the two former enemies have discussed normalization. Japan ruled Korea, divided into capitalist and communist halves in 1945, from 1910-45 and normalized relations with South Korea in 1965.

Japan will be represented in the talks by Sakutaro Danino, the ministry's director-general for Asian affairs, and Tadashi Imai, its director for Northeast Asian affairs, but the North Korean participants are unknown.

They will discuss compensation for the suffering inflicted by Japan during its colonial rule of Korea and the 45-year post-war period, and other subjects as agreed last month.

Members of Japan's ruling Liberal Democratic Party and the major opposition Japan Socialist Party visited North Korea last month, led by former Deputy Prime Minister Shin Kanemaru, and issued a joint statement with North Korea's Workers (communist) Party. It was during the visit to Pyongyang that President Kim Il-song said he wanted to normalize relations with Tokyo.

Informed Japanese sources said Tokyo and Pyongyang had narrowed differences in opinion regarding normalization. Japan offered to hold a preliminary contact in Beijing before holding plenary talks sometime after annual inter-cabinet talks with South Korea on Nov. 26-27, but North Korea proposed holding substantial talks in Pyongyang next month. Last-minute negotiations produced the agreement to hold the preliminary talks in Beijing, the sources said.

The talks will be attended by vice minister-level officials from both governments, they said.

YONHAP Covers U.S. Remarks on Regional Role

SK3110071290 Seoul YONHAP in English 0656 GMT 31 Oct 90

[Text] Washington, Oct. 30 (YONHAP)—North Korea would remove a major obstacle to improving ties with the United States if it were to sign the nuclear safeguards agreement of the International Atomic Energy Agency, a senior U.S. State Department official said Tuesday.

In an address to the University of California's San Diego Graduate School of International Relations and Pacific Studies, Richard Solomon, secretary of state for East Asian and Pacific Affairs, said improved U.S. relations with North Korea would be conducive to reunification of the Korean peninsula.

According to a text of the speech released by the State Department, Solomon said: "We view nuclear proliferation on the Korean peninsula as the No. 1 threat to stability in East Asia. Were the North Koreans to fulfill their obligations under the NPT (Nuclear Non-Proliferation Treaty), they would remove a major obstacle to the improvement of U.S.-DPRK relations. And they would not find wanting our response, or that of the Republic of Korea.

"We view improved U.S. relations with the North as part of the process of reducing tensions and creating an atmosphere conducive to reunification. As demonstrated by our support for German reunification, the United States will support peaceful reunification of the two Korean states on terms acceptable to all Koreans—North and South. The recent Korean prime ministerial talks hopefully will prove to be an important milestone on the road to national reconciliation."

Calling the Korean peninsula "the one place in East Asia where European-style confidence-building measures... seem relevant," Solomon said: "As the newly-activated North-South dialogue proceeds, there is great potential for the Koreans to apply the arms control experience gained in Europe to reducing tensions and building the confidence necessary for significant arms reductions. And as we have seen this year in Germany, such a dialogue can pave the way for rapid reunification."

He said that while the Koreans must themselves create the process of building confidence between the halves of the peninsula, the major powers—the United States, the Soviet Union, China and Japan—had important interests that intersect in Korea.

"As the North-South dialogue begins to make real progress, we believe there are good prospects for increasing cooperation among the major powers in support of the dialogue, the easing of tensions on the peninsula, and ultimately, the guaranteeing of outcomes."

While affirming "a broad consensus in East Asia that a continuing U.S. security presence is an essential ingredient of regional stability," Solomon warned that a diminution in the U.S. security commitment to the region would likely create uncertainty and "empty spaces" that other major powers would be "tempted or compelled to fill."

"The fact is that no power other than the United States is now able or welcome to play the role of regional balancer. As Defense Secretary Richard Cheney pointed out in Tokyo earlier this year, the United States for four decades has served as the 'balancing wheel' in the security structure of East Asia and the Pacific. And a real or perceived U.S. reluctance to play the role of regional balancer, honest broker, and arbiter would be inherently destabilizing," he said.

Koreans Threaten Strike Over USFK Layoff

SK3110014390 Seoul THE KOREA TIMES in English 31 Oct 90 p 3

[Text] Koreans employed by the U.S. Forces Korea [USFK] are preparing themselves for collective actions against prospective massive layoffs as the USFK plans to dismiss a large number of Korean employees because of drastic reduction of the defense budget and subsequent shutdown of some military bases.

The trade union of the Korean Service Corps [KSC] tried unsuccessfully to resolve the dispute over the dismissal of the Korean employees in collective negotiations with related U.S. military authorities over the past six months.

The KSC union reported the dispute to the Labor Ministry and the joint Korea-U.S. labor committee Oct. 19. The KSC said yesterday that USFK booted 245 Koreans out this year, 55 people from American army facilities and 190 from U.S. Air Force units. Total members of the KSC amount to 20,415, according to the KSC. The Korean employees who received dismissal notice total 1,088, the KSC said.

The KSC, citing the USFK's planned dismissal, said that the 1,088 Koreans to be taken off the payroll this year included 500 people working in fuel supply, 57 in communications and others.

The KSC trade union expects that about 900 Koreans would also lose their jobs when the U.S. closes down its Air Force bases in Kwangju, Taegu and Suwon by 1992 as scheduled.

Most Korean nationals employed by the USFK worry that no specific measures have been taken to help them continue productive lives after they are dismissed, reasoning that they cannot receive any sort of severance allowances.

The KSC said that the Korean employees are not to receive severance allowances from the USFK as the USFK has written off the individual retirement benefits every year on annual basis.

The KSC union demands that the USFK guarantee the Koreans a means of making a livelihood after their retirement from the American military units.

Gorbachev Aide Medvedev Slated To Visit Seoul

SK3110015190 Seoul YONHAP in English 0149 GMT 31 Oct 90

[Text] Seoul, Oct. 31 (YONHAP)—Vadim Medvedev, an aide to Soviet President Mikhail Gorbachev, will visit South Korea in mid-November as head of a delegation of 10 senior government officials, scientists and technicians.

Medvedev, a member of the Presidential Council, is to meet with political and business leaders, attend seminars and give a lecture to university students during his Nov. 16-23 visit as the guest of the Korea-U.S.S.R. Economic Association.

He will be highest-ranking Soviet official to visit Korea since normalization of Seoul-Moscow relations in September.

He will be accompanied by Anatoliy Milyukov, director of social and economic analysis in the Presidential Office, Oleg Rybakov, presidential staff adviser, and Aleksandr Prokhorov, a Nobel Prize winner and president-elect of the Russian Academy of Science.

The delegation is to attend an international seminar on perestroyka and economic cooperation Nov. 20-21 and Medvedev is to lecture on the philosophy of perestroyka at Seoul National University.

Soviet Trainees Arrive for Samsung Course

SK2910075990 Seoul YONHAP in English 0752 GMT 29 Oct 90

[Text] Seoul, Oct. 29 (YONHAP)—Twenty-two senior technicians in Soviet electronics firms arrived in South Korea Monday to take a training session in South Korea. Samsung Electronics Co. Has laid on a training course until Nov. 24 and a tour of its plant in Suwon, about 30 kilometers south of Seoul.

The Soviets are the second group of socialist-bloc technicians invited to the company's training course. A group of Hungarian technicians underwent a similar training course last year.

Firm To Export Cigarettes to Soviet Union

SK3010012790 Seoul YONHAP in English 0107 GMT 30 Oct 90

[Text] Seoul, Oct. 30 (YONHAP)—The Korea Tobacco and Ginseng Corp. has landed its first deal with the Soviet Union and will ship 5 million packs of "88" and "Pine" cigarettes to the country next month, the state-run firm said Tuesday. The export contract was signed over the weekend in Moscow by Hong Tu-pyo, president of the Korean corporation, and Moscow Mayor Gavril Popov and other Soviet officials. They agreed to buy over 5 million packs a year and study ways to set up a joint-venture cigarette factory in the Soviet Union.

Koreans Sue Japan for Wartime 'Atrocities'

SK2910033790 Seoul YONHAP in English 0205 GMT 29 Oct 90

[Text] Tokyo, Oct. 29 (YONHAP)—Fifteen lawsuits were filed against the Japanese Government in Tokyo District Court by South Koreans Monday, demanding a formal apology, compensation and an investigation into the exploitation of Koreans by Japan during World War II. The suits charge Japan with forcing numerous Koreans to take part in its war effort, letting them die or be handicapped, and failing to compensate them for their spiritual and physical suffering.

The 15 suits were filed by members of the Seoul-based association of bereaved families of Korean victims in the Pacific war with the help of a private group in Japan to win an official apology and compensation. The Koreans will testify to the atrocities they witnessed during Japan's 35-year-long rule of Korea, particularly during the war, and the suffering of their families.

The suits did not ask for a fixed amount of compensation since, the association said, "It is impossible to compute the concrete amount and because it is more important to get a court ruling that recognizes the Japanese Government's earnest apology and the responsibility for wartime and post-war suffering and compensation." The association said more of its members would sue Japan.

If the court rules in favor of the Koreans, it will set a precedent for other Koreans seeking an apology and compensation, association members said.

Whenever the issue of apology and compensation for Korean draftees was raised during the 45 years since Japanese rule ended in defeat by the allies, Tokyo said it had settled the issue with Seoul by signing the Normalization Treaty in 1965.

In a statement timed with the suits, the association said, "The war criminal, Japan, has posed as a humanitarian state after committing an indescribable crime against the Korean people in the past and shunning consolation and apology for the victims, while the bereaved families of the victims spent half a century in obscurity, not knowing the whereabouts of their parents and brothers and sisters...since we cannot turn our eyes from this inhumanitarian attitude of Japan any more, we are taking out lawsuits against Japan."

An estimated 6 million Koreans were mobilized by Japan as soldiers, slave labor or "comfort girls" during World War II and the majority of them have not returned home yet. Association members said they were paying keen attention to the court ruling as Japan and North Korea were talking about the themes of their suits—apology and compensation.

Need for Technology Sharing by Japan Viewed

SK3010022190 Seoul THE KOREA TIMES in English 30 Oct 90 p 9

["News in Review" by assistant economic editor Pak Chang-sok]

[Text] Like a migratory bird, a Japanese buying mission was here with the aim of purchasing Korean-made goods. They returned home last week, ending a week-long mission without striking any substantial deals.

As a matter of fact, the Seoul visit by the Japanese purchase group has drawn particular attention from businesses here as it came at a time when Korea's trade with Japan has been stagnant even in the face of strong yen. But, it has failed to pay off, as in the past. To put it briefly, their visit was ostensibly aimed at pacifying the growing grievances over the ever-yawning trade imbalance in favor of Japan. Until now, there had been no public revelations of outstanding purchase contracts agreed on during the Japanese visit. The delegation, in a report on its activities during their buying trip, claimed that they had have purchase deals with as many as 905 Korean makers in about 1,000 cases. But, they have kept mum on how many deals they have actually contracted for buying Korean goods.

What makes the picture even gloomier is the continued closings of Japan's specialty shops dealing with exports from newly industrializing economies (NIEs) including Korea. A report from Tokyo revealed that an increasing number of specialty shops selling low-priced home appliances from Korea, the Republic of China, and Hong Kong, have shut their doors due to the loss of their products' competitiveness.

Analysts ascribe the slump in NIEs' exports to the massive release of cheap electric and electronics goods by major Japanese manufacturers.

According to an interim tally by the Trade-Industry Ministry, Korea's trade deficit with Japan has expanded threefold during the first eight months of this year to nearly 4 billion U.S. dollars from 1.3 billion dollars a year ago. The deficit is most likely to go up to around 5-6 billion dollars by the year-end, the highest level in four years.

Fueled by the rapid economic growth in Korea, two-way trade between Korea and Japan has seen a remarkable rise in the 1970s. But, it has always been in disfavor of Korea. The trade shortfall topped 5.4 billion dollars in 1986 when Korea notched up an overall surplus for the first time in the balance of international payments. The deficit once dropped to 3.93 billion dollars in 1988 as a result of the government's desperate efforts to improve the trade imbalance, which has constituted a part of the binational diplomatic row.

Analysts are in general consensus that Japan's prompt transfer to Korea of industrial technology is the surest shortcut to putting the lid on widening trade deficit. Meeting a Japanese buying group, headed by Taichiro Matsuo, chairman of the Korea-Japan market council, President No Tae-u said, "The correction of trade imbalance is the best place to start for putting the bilateral ties on a new plane and for this, cooperation in technical transfer is necessary." That is a right suggestion. In order to effectively solve the chronic trade problems between the two neighboring nations, there is no other choice but to transfer Japanese high-technology to Korea. This is due to the structural problems the Korean industry faces,—which cannot be solved without the Japanese cooperation.

Unfortunately, most production and assembly lines in the Korean industry are built with Japanese-developed facilities and technology, which have been rushed to Korea on the heels of the normalization of diplomatic ties between the two states. This has led to the never-ending increase of Korean import of consumptive components from Japan. Paradoxically, Korea's export expansion entails increased imports of parts and necessary materials from the hardware seller, Japan.

As far as technology transfer is concerned, the Tokyo government has repeatedly spitted out sugarcoated commitments over the past few years. The latest of Japan's intransigence was its luke-warm attitude concerning the formation of a binational panel for cooperation in industrial technology transfer, on which top leaders from both countries had agreed during President No's Tokyo visit last May. Japan's reluctance to form the panel shows how stingy Japan has been in cooperating with Korea on technical transfer.

What is known is that the on-and-off purchases by Japan of Korean goods will only be a temporary relief and will have few permanent effects

Japan has risen to a world economic superpower from the ashes of defeat in World War II. Now is the time for it to share part of economic pies it has "baked" at the cost of its war victims, for both global and regional prosperity. Japan's increased role for promoting regional cooperation in the Asia-Pacific area is particularly necessary in light of the current movements for formation of regional economic blocs, typified by the integration of European Community market, scheduled for 1992.

As far as a trade problem involving Korea and Japan is concerned, the wisdom of teaching how to fish rather than giving a fish is imperative

Dienstbier Ends Talks in Seoul; Goes to Thailand

LD2910111690 Prague CTK in English 0736 GMT 29 Oct 90

[Text] Seoul/Bangkok Oct 29 (CTK)—Czechoslovak Deputy Premier and Foreign Minister Jiri Dienstbier has met in Seoul during his visit to the Korean Republic with the country's minister of economic planning Yi Sung-yun to brief him about the legal aspects of the transition to a market economy in Czechoslovakia.

The Korean minister spoke of the tasks of his ministry and assured him of the prepardness of the Korean Government to help create conditions which will increase the interest of Korean private capital in cooperation with the Central and Eastern European countries, especially Czechoslovakia.

Jiri Dienstbier inspected the Daewoo car enterprise near Seoul. He was told by its director that the enterprise is willing to increase its car exports to Czechoslovakia.

Czechoslovakia Foreign Minister Jiri Dienstbier arrived in Bangkok, Thailand, for an official visit yesterday. The visit takes place at the invitation of the country's foreign minister Sitthi Sawetsila.

While the communist regime in Czechoslovakia used to describe its relations with the Kingdom of Thailand as "mutually advantageous between states having different social systems", the democratic reforms in Czechoslovakia give certainly a better basis for closer relations with the Thai constitutional monarchy.

The two countries established diplomatic relations at the level of embassies in 1974. First visits between the two countries by their foreign ministers were made in 1978 and 1979. Minister Dienstbier is now returning a visit made by his Thai colleague last March, which confirmed Thailand's interest to expand contacts and made clear its readiness to help reconstruct the Czechoslovak economy and be a middleman with new partners in Southeast Asia.

The trade turnover between Thailand and Czechoslovakia amounted to 43.4 million U.S. dollars in 1989, with Czechoslovak exports amounting to 33.8 million and imports to 9.6 million.

Czechoslovakia exports to Thailand equipment for a sugar cane mill, textile and printing machines, machine tools, rolled material, sporting and hunting weapons, dried milk, pharmaceutical materials and polyolefines. It imports caoutchouc, rice, textiles and stainless kitchenware.

Under a new agreement, Czechoslovak airlines has been enabled to use Bangkok Airport on its flights to Southeast Asia.

Commodities Exports Lag in First 9 Months

SK3010031390 Seoul THE KOREA HERALD in English 30 Oct 90 p 6

[Text] Korea's exports of 10 major daily commodities for 1990 are estimated at $4,210 million, falling short of the initially projected $4,410 million.

In the first nine-month period, the shipments were $3,136 million, or 71.1 percent of the annual goal, the Ministry of Trade and Industry said yesterday.

Officials said the sluggish export performance was attributable to the weakened competitiveness of such major items as bags, toys and craftworks owing to the wage hikes and the won's appreciation.

By commodities, the nine-month shipments of bags were $825 million, or 72 percent of the yearly target, those of toys ($562 million, 60.4 percent); craftworks ($523 million, 74.7 percent); musical instruments ($179 million, 71.6 percent); stationeries ($164 million, 68.3 percent); furniture ($121 million, 67.2 perent); fishing gears ($178 million, 74.2 percent); sporting goods ($131 million, 72.8 percent); jewelries ($51 million, 89.5 percent); and others ($42 million, 82.6 percent), the ministry tally showed.

The shipments of bags represented a decline of 0.2 percent from a year earlier period, and the comparable drops for other items are 15.7 percent (toys), 7.5 percent (stationery goods), 4.1 percent (furniture), 1.1 percent (fishing gear) and 2.3 percent (sporting goods).

Minister of Trade and Industry Pak Pil-su called on the representatives of general consumer goods makers to step up exports efforts at a meeting yesterday.

'Slight' Auto Export Increase Expected

SK2810032590 Seoul THE KOREA TIMES in English 28 Oct 90 p 8

[Text] Exports of automobiles this year are expected to reach 366,970 units, a slight increase from the 356,040 units recorded last year.

The nation's five automakers—Hyundai, Daewoo, Kia, Ssangyong and Asia—have been endeavoring to diversify their overseas markets in a bid to expand their shipments.

But they are unable to sharply increase their exports due to sluggish sales in the United States and the 12 member European Community.

According to statistics from the Trade-Industry Ministry, Hyunai motor, the nation's largest car maker, exported 144,555 units during the first nine months of this year.

Kia Motors took second place with 56,069, followed by Daewoo Motor (14,207), Ssangyong Motor (530) and Asia Motors, a subsidiary of Kia (410).

In the remainder of the year, Hyundai is expected to ship 85,605, Kia 43,431, Daewoo 21,571, Asia 320 and Ssangyong 152.

This year, all automakers except for Ssangyong who specialized in the manufacture of jeeps, are suffering from the decline in their exports over last year.

In the first nine months of the year, exports by Hyundai dropped 10.6 percent, Kia 13.1 percent, Daewoo 29.2 percent and Asia 64.3 percent.

Shipments of passenger cars decreased 12 percent, while those of commercial vehicles such as buses and trucks declined as much as 38.3 percent.

Exports to the United States and the EC dropped 26.5 percent and 16.6 percent, respectively, while those to Canada rose 24.8 percent.

In the meantime, the ministry is striving to export more than 370,000 automobiles this year.

As a result, the five car makers were instructed to step up their sales in overseas markets to realize the goal.

Officials Attend Airline Talks in Switzerland

SK2910094990 Seoul YONHAP in English 0935 GMT 29 Oct 90

[Text] Seoul, Oct. 29 (YONHAP)—South Korean officials are attending international talks Monday and Tuesday in Geneva, Switzerland, to present Korea's policies on opening the nation's airline sector and its peripheral industries, a Transportation Ministry spokesman said Monday.

Industry sources, meanwhile, predicted that the Korean officials will explain in the meeting their views on whether to allow foreign airlines to engage in domestic coastal cargo shipping (cabotage) as a part of plan to open the airline industry or whether to adopt a device to let each country review the market-opening process as an effort to guarantee step-by-step opening of the market.

The Korean officials are also to explain the Korean Government's position on whether to separate the airline industry from its peripheral industries with a view to limiting the market opening to the latter which comprises forwarding, cargo handling and fuel supply.

As for the matter concerning cabotage, the South Korean Government is likely to express its willingness to accept it in light that foreign markets are wider enough for Korean airlines to advance into. But the Korean officials will oppose complete opening of the Korean market in such fields as cargo handling, forwarding and fuel supply since local firms in those lines are not competitive.

They will support the introduction of a reevaluation system in which each nation reviews liberalization policies every five years to achieve gradual liberalization, the sources said. Most Asian nations are generally of the same opinion as Korea while the United States and West European nations have the opposite view.

Trade Fair Draws Eight East Bloc Nations

SK3110033590 Seoul THE KOREA HERALD in English 31 Oct 90 p 6

[Text] SITRA '90, Korea's sole and largest international trade fair, opened its weeklong run at the Korea Exhibition Center [KOEX] in Samsung-tong, southern Seoul, yesterday. The biennial exhibition was participated in by 435 business enterprises from 35 countries, including the host country's 252 firms, said officials at the Korea Trade Promotion Corp [KOTRA], the organizing party.

The participating companies will vie to receive a larger share of the export contracts in such industrial lines as electronics, machinery, textile and sports-leisure during the period.

Forty-six companies from eight East bloc countries will likely attract visitors' interest because it marks their first participation in the trade show, the officials said.

The eight countries are the Soviet Union, China, Hungary, Czechoslovakia, Poland, Bulgaria, Romania and Yugoslavia. Five East European countries besides Yugoslavia have also set up independent national pavilions.

A total of 241 business executives from the East bloc countries will also conduct negotiations with their Korean counterparts, further facilitating this country's two-way trade arrangements with them.

The buying mission from Moscow in particular is expected to hold import negotiations of Korean-made computers, other electronic appliances, machinery and footwear as well as invite Koran firms' participation in hotel and catering businesses in the Soviet Union on the joint venture formula, KOTRA officials said.

The Chinese visitors will also discuss the joint establishment of garment and food-processing plants in their country, by making business ties with Korean businesses.

The Korean business executives operating abroad will likely purchase $150 million of the goods displayed in the KOEX hall.

KOTRA and related business associations will also hold separate shows exclusively displaying stationery goods and gift-accessories at the same time.

The state-run organize hopes that the show will draw 70,000 visitors, including 3,000 from abroad, who they said are expected to make more than $400 million worth of purchase contracts.

To maximize the exports, the organizers have arranged for the show to open to only foreigners between 9 a.m. and 1 p.m. for their extensive trade negotiations, while limiting the available hours for local viewers to 1 p.m. and 5 p.m.

Opening of Financial Market to Foreigners Viewed

SK2810024390 Seoul THE KOREA HERALD in English 28 Oct 90 p 6

[From the "News Analysis" column by staff reporter Yi Kap-su: "Financial Sector Cornered by Mart Opening Move—Countermeasures Urgent To Compete With Massive Foreign Capital, Superior Alien Management"]

[Text] The ongoing Uruguay Round negotiations, if settled, will deal a serious blow to the nation's financial industry, which is still fragile in terms of capital volume and financial know-how.

Major advanced countries, including the United States, Japan, and Britain, have been strongly demanding the full opening of the Korean financial market through the multilateral negotiations.

The settlement of the Uruguay Round negotiations on financing, accordingly, means the full deregulation of the domestic banking, capital, and insurance markets.

Under the full-liberalized market, foreigners can make an enormous amount of investments in the domestic financing sector and even manipulate interest rates, exchange rates, and stock prices easily with the funds.

Taking this point seriously, both the Korean government and financing circles are now busy mapping out proper countermeasures against the possible full opening of the financial market.

Many local experts say the domestic financing industry will be seriously affected by the massive inflow of foreign capital in four or five years at the latest, regardless of the timing of the settlement.

The basic principle of the Uruguay Round negotiations requires equal treatment of foreign business concerns like domestic enterprises.

For instance, the Korean government should lift all restrictions for foreigners on the establishment, acquisition and merger of financial institutions, including branches, offices and locally incorporated firms, if the negotiations are settled.

However, the nation's financial industry has so far done little in preparation for the full opening of the financial market, considering the capital volume, manpower, interest rate structure, and financial techniques, specialists say.

The immature situation is also applied to the government itself. The government implemented the deregulation of bank lending rates in December 1988 as an initial step toward the full liberalization of the financial market, but failed to attain any result by artificially lowering the rates again in the banking and the secondary financial market last November and July, respectively.

Meanwhile, it is doubtful that the domestic financial sector, which clearly separates the business line between banks and securities companies, could compete with foreign counterparts dealing with banking and brokerage functions simultaneously, they say.

In the securities sector, the government will allow foreign businesses to set up brokerage houses in Seoul in the form of joint ventures with Korean counterparts or a wholly invested one from next year.

And foreigners will be permitted to buy Korean stocks directly, though within limits, beginning in 1992 if the government keeps its market liberalization schedule.

In terms of capital volume and stock-dealing skills, however, Korea's brokerage houses are still far behind their alien counterparts, particularly U.S., British and Japanese firms.

The government already opened the domestic life and nonlife insurance market to foreign countries, except a few advanced nations, including Japan.

As some U.S. companies with advanced financial techniques and worldwide business networks rushed to the domestic market, local insurers are making all-out efforts not to lose any slice of their market share, but aliens' encroachment upon the market is expanding at a rapid pace.

The government is now pondering proper countermeasures against the possible settlement of the Uruguay Round of multilateral trade negotiations.

As an initial step, it drafted a bill early this month for mergers, acquisitions and business conversion of domestic financial institutions in an attempt to strengthen their external competitiveness.

Under the financial reform program, some large-scaled investment-financing companies, or short-term financing companies, will be converted into stock companies or commercial banks.

And the business line of domestic financial institutions will be adjusted to effectively cope with the expected advance of large and powerful foreign business concerns.

The success of the restructuring program of the financing industry, however, will depend on how well the government coordinates the merger of different types of financial institutions and minimizes the possible adverse effects, market analysts say.

Think Tank Suggests Opening of Stock Market

SK3110021190 Seoul THE KOREA TIMES in English 31 Oct 90 p 9

[Text] A state-financed authoritative economic think tank has suggested the gradual opening of the nation's stock industry to foreign competition, limiting the number of branches of foreign securities companies and joint-venture firms to start brokerage business from next year.

The Korea Development Institute (KDI), who has often represented positions of the government, expressed concern that the full absorption of foreign securities firms at one time may deal a devastating blow to the local stock industry.

The full permit of business by foreign stock companies is feared to give rise to a massive inflow into foreign businesses of local manpower, which KDI researchers say may bring about a drastic rise in cost and weakness of competitiveness in domestic securities firms.

In a symposium on the opening of the Korean stock industry, sponsored by the KDI yesterday, the institute recommended that the number of foreign securities companies allowed in the domestic market be decided on the principle of reciprocity on a long-term perspective.

The symposium was held in the form of free-wheeling debates, attended by college professors, journalists, and officials from relevant circles including banking institutions and private research institutes.

The KDI has also presented a broad range of requirements for business permit of foreign stock industry, but it stopped short of suggesting specific criteria the detailed requirements will be drafted within this year for implementation scheduled for next year.

As to the criteria for the establishment of foreign stock companies' branches, the institute suggested that such factors as overall business performance, regionalism, and roles of contributing to the domestic stock industry be taken into consideration in screening applications.

The institute then suggested the ceiling of business funds, control of loans, obligatory deposit of security money, and mandatory recruitment of local manpower for the operation of foreign securities companies in domestic market.

Referring to the requirements for the opening of joint-venture companies, the KDI insisted that local investors trying to join hands with foreign securities companies should not be conglomerates listed in the nation's 30 largest group. The domestic co-investors should be free of credit controls by the banking institutions.

The institute calls for limiting the portion of equity shares by foreign individuals and overall majority by all foreign nationals, while setting the ceiling of capital invested by foreigners. This is aimed at curbing the foreign domination of the local securities industry.

It recommended that foreign securities companies be granted the business of underwriting, sales and purchase on own accounts, and brokerage services and it be different according to the scope of capital and business performance.

The permit of underwriting for foreign businesses has affirmative and negative effects. In an affirmative view, it is expected to help expand the opportunities for fund securement by local enterprises, correct the distorted mechanism of interest rates, speed up the modernization of domestic enterprises' underwriting skills. In a negative view, it may bring about an encroachment of the domestic market by foreign investors through such means as tie-ins with other businesses, according to the institute.

DLP Said Facing Breakup Over Cabinet System

SK3010023990 Seoul THE KOREA TIMES in English 30 Oct 90 p 2

[By staff reporter Sin Hak-nim]

[Text] The factional strife-ridden ruling Democratic Liberal Party [DLP] is facing a possible breakup eight months after its birth.

The current discord between the rival factions of the gigantic government party is escalating into a war of nerves between President No Tae-u, who heads the DLP, and executive chairman Kim Yong-sam. Kim, the No. 2 man in the ruling party after No, refused to execute his day-to-day party work, secluding himself in his house in Sangdo-tong yesterday.

The raging dispute between the rival factions of the party is prematurely taking the form of "power struggle" expected after President No stepped down in 1993.

It mainly stems from differences between No's old followers making up the largest faction and Kim Yong-sam's group over the next form of government. In addition, mutual distrust between top party leaders seems to be exacerbating the situation.

A parliamentary cabinet system is the favorite of the mainstream faction composed of 128 Assemblymen who are seeking to retain their influence during the post-No era. It is also favored by President No.

However, Kim Yong-sam publicly says it is impossible to realize the constitutional revision to adopt the parliamentary cabinet system "as long as the opposition and the people oppose it," though he claims to personally favor it too.

Following the leak of a secret memorandum, signed by three top leaders including President No and Kim Yong-sam, pledging joint efforts to promote the adoption of the parliamentary cabinet system, No's old followers in an alliance with the Kim Chong-pil clan pressed Kim Yong-sam to carry out this promise.

The mainstream faction claimed that the leak of the secret note to the press was just "accidental" while the Kim Yong-sam clan believes that the leak was premeditated action aimed at damaging executive chairman Kim.

Rep. Kim Tong-yong, first state minister for political affairs and a key protege of Kim Yong-sam told reporters after meeting his boss that "the problem is that the leak of secret note came at a time when the main opposition Party for Peace and Democracy [PPD] showed signs of returning to the National Assembly."

The five preconditions set by the PPD for the normalization of parliamentary politics included the ruling party's giving up a plan to promote the parliamentary cabinet system and the across-the-board implementation of local self-rule.

Kim Yong-sam had denied the existence of the secret agreement on the parliamentary cabinet system before the copy of the memorandum held by secretary general Pak Chun-pyong was "leaked" to the press.

Another aide to Kim Yong-sam said, "The mounting offensive from No's old followers against executive chairman Kim over the parliamentary cabinet system must be designed to inflict a damage on him even at the risk of the normalization of parliamentary politics."

"We have noticed similar attempts by the members of the mainstream faction in recent weeks. The severe personal attack by Rep. Kim Chung-wi on executive chairman Kim during a caucus of party lawmakers last week has something to do with this," said the aide.

He said, "We believe President No was behind them."

"President No and his followers might have thought it impossible to promote the constitutional revision in the current situation and therefore they might have begun an operation to prevent the two Kims (Kim Yong-sam and Kim Tae-chung) from regaining their political hegemony," said the aide.

If the direct presidential election is held in 1993, the two Kims will be strong contenders.

The two Kims were believed to have agreed to normalizing the Assembly politics when Kim Yong-sam visited the other Kim on a hunger strike about three weeks ago.

"No's followers' challenge this time is viewed as a signal that they will prevent executive chairman Kim from being nominated as presidential candidate of the ruling party, if they fail to realize the parliamentary cabinet system," said the long-term aide to Kim Yong-sam.

Against this backdrop, followers of Kim Yong-sam huddled together at Kim's house to discuss how to cope with the worst crisis the DLP has experienced.

Rep. Kim Tok-yong, an aide to Kim Yong-sam for decades, said, "Executive chairman Kim appears to have made up his mind on his future course of action." Some others did not rule out the possibility that the DLP will break up if President No fails to take proper measures.

DLP 'Chaos' Continues; May Be Nearing 'Crisis'

SK3110020790 Seoul Domestic Service in Korean 0100 GMT 31 Oct 90

[Text] As Chairman Kim Yong-sam clarified his stand against the revision of the Constitution in the cabinet-parliamentary system and made clear his intention of not resuming his party work for the time being, the internal discord among the factions of the Democratic Liberal Party [DLP], which had been on the brink of settlement, has been plunged into chaos again. Shortly after a news conference today, Chairman Kim Yong-sam went down to Masan.

Accordingly, it is very probable that talks between President No Tae-u and Chairman Kim Yong-sam scheduled for sometime this weekend in Chongwadae [presidential residence] to cope with the situation will be aborted. The internal discord within the DLP is likely to dash toward the phase of crisis.

In connection with his future position in particular, Chairman Kim Yong-sam said that he would decide on his future after deep thought on all problems. Also, he stressed that with the same feelings as he felt during his house arrest in the Fifth Republic, he would make efforts to realize the justice of democracy and take an upright and great course for the people.

Saying that today's political disturbances and social unrest are basically phenomena proceeding from an attempt to revise the Constitution in the cabinet-parliamentary system, Chairman Kim Yong-sam emphasized that the amendment of the Constitution in the cabinet-parliamentary system, to which the people are opposed, will give rise to the tremendous resistance of the people and chaos in the state. Thus, he clarified his stand that without an agreement with the people and the opposition parties, he would never push ahead with the revision of the Constitution for the cabinet-parliamentary system.

Noting that though he had clarified on many occasions his stand of not mentioning the cabinet-parliamentary system within this year, attempts to revert this policy had been deliberately made and unconvincing incidents ignoring the party's hierarchy and order had occurred, he argued that this development of the situation had resulted in personal disgrace and enormous damage to the state and the party.

He clarified that there must never be confusion in connection with the matter of the cabinet-parliamentary system.

In addition, Chairman Kim said that for the time being, he had no plan to personally meet President No Tae-u with regard to the recent situation nor had he intention of resuming his party work.

He made clear that he would go down to Masan and take time deciding on his future while watching the development of the situation.

Editorial Warns Against Cabinet Amendment

SK3110020190 Seoul THE KOREA TIMES in English 31 Oct 90 p 6

[Editorial: "No Time for Amendment"]

[Text] The question of the propriety of a cabinet system in the country having been put aside by society, now is not the right time for the political parties to waste time in internecine debate of the issue. Rather, political circles should give precedence to addressing a host of explosive issues awaiting prompt settlement.

It is deplorable to see the titanic ruling Democratic Liberal Party begin trapped in factional feuding over the problem of a constitutional amendment to change the political structure from the present presidential government to a cabinet system, despite the fact that the present system was introduced only a few years ago after decades of furious struggles against consecutive authoritarian regimes.

The seriousness of the problem lies in the fact that the constitutional revision movement has been spurred by none but the ruling DLP whose president No Tae-u was elected President of the nation under a newly-amended Constitution that brought in the presidential system.

The move by President No and his ruling party to change the fledgling Constitution to adopt a new government format clearly runs counter to political ethics and practical wisdom. This is especially so, considering that there have been no fatal flaws found since its implementation two years ago.

If the ruling party feels an acute need for the constitutional change, it could promote it after the completion of the current presidential term and new general elections, both parliamentary and presidential. Main opposition leader Kim Tae-chung has not unjustifiably demanded that the ruling camp must dissolve the National Assembly and hold a new parliamentary election to amend the Constitution, if it wants to adopt a cabinet system.

Moreover, there is no guarantee that the proposed cabinet system will prove to be practically the most suitable to the Korean political climate. And we still vividly remember that the cabinet system government under the late prime minister Chang Myun in 1960 was plagued by political and social chaos as well as administrative incompetency.

It is true that both the presidential and cabinet systems have their own merits and demerits. And there is no doubt that the cabinet system is a viable democratic form of government adopted by many free democracies and that it is flourishing in those countries.

President No Tae-u argued in his interview with The Korea Times that either to prefer the presidential system or the cabinet one does not run counter to democracy. He stressed that adoption of the parliamentary cabinet system does not mean a scheme to prolong a grip on power. No's views are right as far as the principles of democracy are concerned.

However, the controversial secret memorandum signed by top three DLP leaders including No in last May has yet to be cleared of suspicion that it is part of an ulterior scheme in connection with the maintenance of government power after No's presidential term ending 1993. The cabinet system is unfavorably seen as being similar to the Japanese political structure which allows perpetuation of the rule of the Liberal Democratic Party there.

A constitutional revision, of course, requires a two-third vote of the National Assembly, which must in turn be endorsed by a national referendum. The president assured that if the people oppose the cabinet system, we will not be able to even initiate any amendment bill. We hope that the president will be true to his word. At the same time, we warn that the ruling party should not entertain any misguided idea that the government will be able to push through any amendment plan it wants, as was often done by past dictatorial regimes.

The DLP seems to have managed intra-party bickering over the constitutional change for the present due to a compromise between President No and executive chairman Kim Yong-sam. Yet the temporary ceasefire between the rival factions should not become a scheme to win time with the hidden goal of forcing through the amendment project.

NSP Calls Sanomaeng 'Socialist Revolutionaries'

SK3110012390 Seoul THE KOREA TIMES in English 31 Oct 90 p 3

[Text] The Agency for National Security Planning (NSP) has defined the Socialist Workers League or Sanomaeng as an anti-state organization composed of "socialist revolutionaries."

The avowed goal of the Sanomaeng members is the establishment of a socialist state after toppling the current government through people's armed uprising.

Through various underground printed materials and such anti-government monthlies as "Nodong Haebang Munhak" (literature for workers liberation), Sanomaeng calls the present Korean society a "neo-colonialist, state-monopolistic capitalist system."

Under the system, the present government and "compradors" subservient to American and Japanese imperialists rule and exploit the "masses," the Sanomaeng members claim.

Sanomaeng leaders have been preparing for an inauguration of the "Workers Party" by 1992, which will play a vanguard role for the socialist revolution, the NSP said.

For this, they charted out eight-point objectives such as "spreading propaganda for socialist revolution," "setup of legal political party led by working class," "implanting revolutionary cells in major industrial plants" and "seeking solidarity between student and labor movement."

The organization of Sanomaeng is very similar to that of the Bolsheviks devised by Vladimir Lenin (1870-1924), the founder of the socialist Soviet Union, according to the NSP announcement.

Leading the league is the central commission which commands the organizing committee, editorial committee, provincial and municipal central committees, the South Korean Socialist Science Academy, the Socialist Student Movement Research Institute and the Democratic Students League.

Each unit is separated into CC (central committee) and CT (center) to ensure a higher degree of secrecy, the NSP said.

Noteworthy among the hierarchy is the "liaison bureau" whose mission includes development of explosives and poisons and the planning of armed struggles and weapon robberies from army and police armories.

The bureau is also in charge of gathering information on activities of government investigation authorities to protect Sanomaeng members from their possible crackdown, according to the NSP.

Sanomaeng members are recruited through rigorous screenings on their "origins," ideological propensity and their connection with investigation authorities.

The recruits are trained and indoctrinated with socialist ideology for several months. Missions are given to them only when they fully proved their "revolutionary zeal," the NSP announcement said.

In the "hellish training," the Sanomaeng recruits are trained on the idea of workers' liberation, intelligence knowhow and leadership to carry out their missions as "independent cells."

Government To Tighten Control of Nonbanking Firms

SK2810031990 Seoul THE KOREA TIMES in English 28 Oct 90 p 8

[Text] Cheju—Vice Finance Minister Chin Nyom said yesterday here that the government would further strengthen control of nonbanking institutions including short-term finance companies in order to put money flow in good shape.

Speaking to a seminar for top business managers, sponsored by the Korean Foreign Trade Association (KFTA), at the KAL Hotel in Sogwipo, Chin then said that credit control for service businesses would be further increased in the future.

In particular, nonbanks' loans to the service sector will be strictly controlled from next month and nonbanking institutions recklessly offering loans to service businesses will face reprimand, according to Chin.

Bonds issued by the Korea Development Bank and the Industrial Bank of Korea will be increasingly issued in order to help the small-and-medium enterprises secure operational funds.

Various measures will be devised to increase funds available for development of manufacturing industry now in quandaries of financial pinch and manpower shortage. For example, the Postal savings system, now in force for cities with a population of 100,000 each, will be expanded to smaller cities.

Construction Firms Employ More Foreign Workers

SK2910035590 Seoul YONHAP in English 0236 GMT 29 Oct 90

[Text] Seoul, Oct. 29 (OANA-YONHAP)—The dependence of South Korean construction companies on foreign workers for overseas projects has continued to rise this year as Korean workers avoid going abroad.

As of the end of June, 49 Korean construction companies had 37,257 foreign workers on their payrolls, or 71.7 percent of the 51,986 workers they had on overseas sites, according to statistics released by the Labor Ministry Monday.

The figure was 69.3 percent at the end of last year, meaning there are now 4,294 fewer Korean workers and 5,769 more foreign workers.

Dependence on foreign workers was 29.7 percent in 1985, 36.1 percent in 1986, 49.7 percent in 1987 and 57.3 percent in 1988.

Fueling the rise was a flood of cheaper labor, mostly from Southeast Asia, sharp rises in Korean wages, pressure from host governments to employ more of their workers and a dislike by Koreans of work abroad, a ministry official said.

No matter what working conditions are offered, there are few Koreans at overseas construction sites, a reversal of the scene in the 1970s, when the Middle East construction boom peaked, the official said.

Burma

AFP Reports Prison Situation, Monks' Boycott

BK3010115390 Hong Kong AFP in English 1132 GMT 30 Oct 90

[By Erskine McCullough]

[Text] Bangkok, Oct 30 (AFP)—The Burmese authorities are levelling trumped up criminal charges against scores of political prisoners before a visit by the special UN envoy for human rights, observers in Rangoon said Tuesday. Reports from the Burmese capital say the military junta wants to empty Rangoon's Insein Prison of political detainees before the arrival of Professor Zarabo Okata, expected early next week.

"At the moment they are making up criminal charges against the political prisoners in Insein. Others they are moving to prisons far outside the capital," a Rangoon-based observer said. "The military does not want the UN special envoy to visit Insein and find political prisoners, only criminal ones," the observer said.

The reports follow earlier ones that Insein was being spruced up for the visit of Ms. Okata. Diplomats said recently that inmates were being given new mattresses, new blankets and were being given meat four times a week instead of the normal once a week.

A former political detainee in Insein now staying in Thailand, 24-year-old Maung Sann Til Kyaw, said that the warders would frequently put cockroaches and worms in the daily soup. "The conditions were terrible. The food was uneatable. Lots of us suffered from dysentery and all they gave us was one single pill which did nothing to help," Maung Sann Til Kyaw said.

"The junta want to show that Insein is a normal prison where the inmates are well treated. They want to try and show the UN that they respect human rights," an observer based in Bangkok said.

Last February the United Nations Human Rights Commission severly criticised the junta for their human rights records.

No details of Ms. Okata's visit have been released by the Burmese Government and diplomats fear that her movements will be tightly controlled. "It would be nice to think she can speak and see whoever she wants but it is much more likely the junta will stage-manage everything and keep a very tight control over her movements," one diplomat said.

Meanwhile, the latest figure on the number of monks arrested in Mandalay following the junta's lightening raids on monastaries to put and end to a religious boycott of the military has risen to 200. Diplomats put the nationwide total of arrested monks at 350.

They added that it is almost certain that the boycott, begun by the monks in August after two of them were allegedly shot by troops during an anti-government demonstration in Mandalay, is still in effect despite claims by the government that it had been ended.

"The claim that the boycott can be called off by the senior abbots is totally wrong. The boycott vow has to be taken by at least five monks in a special area of their monastry called the thein. "For the vow to be ended those exact same monks must return to the thein. The signing of pieces of paper by the abbots is simply a cosmetic exercise by the military," one diplomat said.

Observers Predict More Action Against Monks

BK3110082290 Hong Kong AFP in English 0807 GMT 31 Oct 90

[Excerpts] Bangkok, Oct 31 (AFP)—Rangoon-based observers Wednesday predicted increased pressure on Burma's Buddhist monks from the ruling military junta. One observer said that he expected the military to step up its campaign against the monks after the visit of the United Nations Human Rights Commission Special Envoy Professor Sadako Ogata is over. Mrs. Ogata is expected in Burma within the next few days to prepare a report on human rights within the country where in the past month 44 senior members of the main political party, the National League for Democracy (NLD), have been arrested.

The NLD, which has also had several of its offices raided by troops, has all but been decimated by the spate of arrests. The party swept the April general elections but the junta has refused to hand over power.

"It looks like the government will carry out further crackdowns on the monks after the U.N. envoy leaves," said one observer reached by telephone. [passage omitted]

Observers in Rangoon said Tuesday the Burmese authorities were levelling trumped up criminal charges against scores of political prisoners ahead of Mrs. Ogata's visit.

Students Urge NLD To Form Exile Government

BK3110023590 Bangkok THE NATION in English 31 Oct 90 p A1

[By Somchit Rungchamratratsami]

[Text] Burmese students urged the elected representatives and political leaders of the National League for Democracy (NLD) to form a government-in-exile in the jungle rather than stay in Rangoon and face arrest by the ruling military junta, a Burmese student leader said yesterday.

The All Burmese Students Democratic Front (ABSDF)'s joint secretary for financial affairs Maung Di said when the group met two months ago it was agreed that the representatives and political leaders of the party should escape into the jungle to form the government given the indication that the junta would intensify its crackdown on the opposition. He was speakding at Popbota camp opposite the Tak province's district of Tha Song Yang.

On Monday more than 100 representatives and the party's committee members were arrested in Rangoon and Mandalay in the latest crackdown on the oppposition. Last week more than 30 of the NLD representatives and its leaders were arrested. "It is better they escape to form the government in the jungle than wait to be arrested," he said.

He believed that a government-in-jungle would receive overwhelming recognition from both the Burmese and the international community since it would be the legitimate government. However, he added the student's front would meet again soon to review its call before forwarding it to the Democratic Alliance of Burma (DAB).

Commander Explains Move To Register Monks

BK3010154790 Rangoon Domestic Service in Burmese 1330 GMT 30 Oct 90

[Text] Major General Tun Kyi, chairman of Mandalay Division Law and Order Restoration Council and commander of the Central Military Command, met with Brigadier General Hla Shwe, commander of No. 33 Light Infantry Division; Colonel Aung Htwe, deputy commander; tactical and regimental commanders, divisional law and order restoration council members; chairmen of township zones 1 and 2; chairmen of four township law and order restoration councils of Mandalay; the divisional religious affairs officer; personnel from the divisional immigration and manpower department; and other departmental personnel concerned on 29 October at the central command headquarters operations hall at 1000. He explained matters relating to keeping religious records for monks and novices.

In his speech, the commander stressed the need to have religious registration cards. He added that although some abbots and monks have received religious registration cards, some have already lost them, and some have not yet received these cards. That is why religious registration cards must be made properly and as soon as possible. First, necessary inquiries should be made as to whether registration cards are available, and monks who should receive the cards should be issued as soon as possible. In doing so, departments concerned should work quickly and with discipline. He then elaborated on the procedures involved in the process and the points to note. Next, he explained the work to be carried out by the Immigration Department. The meeting ended at 1030.

Tin U Explains Rice Sales, Smuggling Activities

BK3010161190 Rangoon Domestic Service in Burmese 1330 GMT 30 Oct 90

[Excerpts] A meeting to coordinate programs to bring down prices and to purchase rice was held in the fifth floor conference hall of the Directorate of Trade at 0930 today. Major General Tin U, secretary-2 of the State Law and Order Restoration Council [SLORC], delivered an opening speech. [passage omitted]

Addressing the meeting, Major General Tin U said he wanted to explain SLORC policy on the purchase of rice to the responsible personnel from different states and divisions now attending the meeting. The government has already announced to the country that it will be testing a market economy. In addition, it has also announced that assistance will be rendered with to develop cooperatives and the private sector.

Purchasing the rice produced in the 1990-91 season should be in accordance with the fundamental economic policies. Rice is the nation's most important commodity. In the same way as it is the country's staple crop, it is also the major crop to earn foreign currency. Hence, it is necessary to strictly adhere to state policies regarding the purchase and sale of rice.

Since permission has already been given for the purchase and sale of rice within the country, anyone can engage in the trade. However, those interested in the wholesale business should register with the department concerned. State organizations, such as the Trade Department, the cooperatives, and the No. 2 Joint Venture Corporation will purchase rice so the market does not become chaotic.

The Trade Department will purchase rice for distribution to the public service personnel and for emergency stocks. The cooperatives will buy for distribution to their members. The No. 2 Joint Venture Corporation will purchase rice for distribution to consumers in areas where rice is scarce. These state organizations are urged to observe carefully the following guidelines laid down by the state when purchasing rice.

First, because the price of rice can be maintained at its normal level today, it is necessary to completely avoid competitive buying, which contributes to the rise in prices. Second, imposing sales quotas must be totally avoided, that is, prescribing the amount each farmer must compulsorily sell or the amount that must be sold for every acre of farmland. Rice prices have not been fixed and it should be purchased at market prices. When the state organizations make purchases, they should fix prices at a level that they deem fair for the peasants yet not too high for the consumers. [passage omitted]

Another point I wish to raise is that the transport and sale of rice in the country should not be prevented or hampered. Acts such as demanding two baskets of rice for every 10 baskets purchased must be avoided at all cost. However, effective action must be taken to prevent the illegal sale of rice to foreign countries.

Next, Brigadier General Abel, minister of planning and finance and trade, addressed the meeting. He explained the introduction of the market economy since 1988, the liberalization of the rice trade, the great leap in rice prices because of irregular trading practices, and the state taking charge to stabilize rice prices.

Brigadier General Abel said that thanks to the purchase and distribution of rice by the Trade Department, the cooperatives, and the No. 2 Joint Venture Corporation since 1989-90, rice prices have remained at their normal level today. The paddy production in 1990-91 is expected to be about 652.9 million baskets [one basket equals about one bushel]. Because we also have leftover paddy stocks from last year, there are prospects of rice prices going down.

It is necesary to make arrangements to give more incentives to the peasants to grow rice. In the same way as it is necessary not to make the peasants suffer from the fall in rice prices, it is also vital to ensure a fair price for the consumers. We have calculated and think the paddy price this year should be between 4,500 and 5,000 kyat. We expect the rice price to be between 7 to 8.50 kyat per pyi [one pyi equals 4.68 pounds]. If we work hand in hand in the purchase of rice in the interests of the people, we will achieve the results expected.

Some greedy ones, however, refuse to work within the framework of the law, engaging in blackmarketeering and illegally selling the commodities abroad. For instance, edible oil was imported from abroad for the consumers. The government imported 35,000 tons of edible oil in 1989-90. In 1990-91, a total of 65,000 tons were imported—the state bought 15,000 tons while the private entrepreneurs bought about 50,000 tons. The aim was for the consumers to be able buy edible oil at affordable prices. We noticed, however, the oil being exported and sold abroad through illegal means. Because of such unscrupulous methods, the oil price did not go down as it should have.

In the same way, sesame produced locally sells for about $580 per ton on the world market. Instead of selling the commodity through legal channels, blackmarket traders sold sesame abroad at $320 per ton through smuggling routes. The state suffered great losses because of this. Hence, free trade should be utilized in a fair and just manner within the legal framework. [passage omitted]

Brunei, Malaysia & Singapore

Malaysia

Commentary Criticizes U.S. Military Grant Cut

BK3010121590 Kuala Lumpur International Service in English 0800 GMT 30 Oct 90

[Station commentary]

[Text] Prime Minister Dr. Mahathir Mohamed has rightly described a move by the U.S. Congress to stop the $1 million military training grant to Malaysia as an economic arm-twisting tactic. It is an act against smaller and weaker nations to assert the notion that might is right.

The move to include an amendment to the Foreign Assistance Act to [words indistinct] grant was introduced by a senator from Oregon who is facing a Senate election in his constituency next month. Mr. Mark Hatfield's reason for introducing the amendment is that Malaysia had violated human rights by forcing Vietnamese boat people back to sea. What Mr. Hatfield and others in his company ignore or fail to realize is the fact that Malaysia had already accomodated over a quarter of a million Vietnamese refugees seeking resettlement in third countries.

Along with other first asylum countries in the region, Malaysia has come to the end of its tether and decided to stop the continuing influx of refugees and screen those who arrived after March last year to ascertain whether they were genuine political refugees or those seeking greener pastures for economic benefit. The Oregon senator is obviously playing up the issue in order to fish for votes among the Vietnamese community that [words indistinct].

There is hardly any appreciation for what Malaysia has already done. What irks Malaysia is that it has been lumped together with Liberia, Somalia, Zaire, and Sudan for the denial of the grant for blatant abuse of human rights. The issue of human rights violation raises the question of what happened in Jerusalem only recently.

Dr. Mahathir at a press interview on Sunday [28 October] referred to the killing of 21 Palestinians. He was obviously referring to the Temple Mount incident where Israeli soldiers turned their guns on Palestinian Arabs in retalitation for the latter throwing of stones at Jewish worshippers. [Words indistinct] violation of human rights of that incident? There is also the question of the U.S. refusal to allow the entry of Mexicans and Haitians.

How does that compare with Malaysia's stance on the question of Vietnamese boat people? The amendment in respect to the military training grant to Malaysia was passed by the U.S. Congress last Thursday and awaits ratification by the U.S. President, Mr. Bush. Maybe this is [words indistinct] of the amendment for its part [words indistinct] entire Foreign Assistance Act.

As far as Malaysia is concerned, she does not need the money for military expenditure, but rather the knowledge that comes with it. The amount involved is in no way the [word indistinct] point by any standard, but the U.S. legislators should realize that their latest move will do more harm than good to the cordial bilateral relations that exist between the United States and Malaysia.

Singapore

Prime Minister Interviewed on China, Japan

BK3010125290 Melbourne Overseas Service in English 0803 GMT 30 Oct 90

[From the "International Report" program]

[Text] Singapore's prime minister, Lee Kuan Yew, is now back home from a nine-day visit to China—his first since the two countries normalized diplomatic relations earlier this month. Enroute home, he stopped in Hong Kong where he spoke to Humphrey Hawkesley about China and Hong Kong and whether communism still poses a threat in Asia.

[Begin recording] [Lee] It is [words indistinct] this today.

[Hawkesley] Not even a power like Communist China?

[Lee] No, I mean, well, Communist China can be a problem because she is a great power, big power, and 0.01 percent of [words indistinct] of the GNP can be a [words indistinct] anybody. But, to enclose people and then capture the minds of the young in pursuit of a golden age where everybody is equal or give up their best and get what they need, that has been deflated; that has been exposed as a crazy [word indistinct]. It does not work.

[Hawkesley] That might have been exposed [words indistinct], but what about Japan. You have expressed in the past concern about the expansion of Japanese militarism in the Pacific. Do you still hold that concern?

[Lee] Well, if the Japanese were to, for some reason, be unable to maintain their security ties with America, [words indistinct], let us say, for instance, that their economic problems become so acute and there is a series of retaliatory moves that finally break that link, including the security link, then there are very difficult situation [words indistinct].

[Hawkesley] But you have said that Asia respects Japan more than America, in your speech.

[Lee] Yes, we do. The Japanese have showed how being a tightly knit communitarian society, where the community interests are placed above that of the individual, they have been able to make use of Western science, technology, and R & D methods, production methods, to outdo the West.

[Hawkesley] Given that, would Asia accept the Japanese military security umbrella instead of the Americans?

[Lee] Well, I do not know, why it should be. Given that Asia has no reason to fear their security umbrella because they will be as efficient militarily as they will be economically. They will produce as many fine guns with deadly accuracy using laser targeting and imaging and so on, and they will be such terrifyingly efficient fighters, which they were in the last war, they might get [words indistinct]. [end recording]

Cambodia

Phnom Penh SNC Members Answer Son Sann

BK3110070590 Phnom Penh Domestic Service in Cambodian 0430 GMT 31 Oct 90

["Letter of the Supreme National Council members of the State of Cambodia in response to His Excellency Son Sann's letter"—dated 30 October; read by announcer]

[Text] Phnom Penh, 30 October 1990

Excellency: In response to your letter dated 25 October 1990, we have the honor to inform you of the following:

Having saved the Jakarta meeting from failure even before its start because of Prince Sihanouk's boycott, we have proved that the Phnom Penh government sincerely wishes to put an early end to the civil war, promote genuine national reconciliation, and rebuild the country. We are for a strict and integral implementation of the Jakarta joint statement without any modification.

The Supreme National Council [SNC], having been officially formed, must proceed to solve other questions that are more urgent and important than the choice of a chairman and vice chairman, such as the questions of voluntary cease-fire, the cessation of foreign military aid, and the dispatch of an SNC delegation to the United Nations.

The question of SNC chairmanship could be settled simultaneously with subsequent meetings according to the following three options, since the one chairman and one vice chairman formula has already been deadlocked: cochairmanship, rotational cochairmanship, or rotational chairmenship.

At no moment have either the five powers or the UN Security Council insisted that a certain person be the SNC chairman. In the Jakarta joint statement of 10 September 1990, not a single word was mentioned naming anyone SNC chairman. On the contrary, the third point in the framework document of the big five concerning the composition of the SNC stresses: No party should occupy the dominant position in this process. Therefore, accepting Prince Sihanouk as SNC chairman would be contrary to this principle.

The fundamental key element of the big five's framework document is the SNC itself and not any personality, whoever he may be. The SNC has not been created specially to appoint a chairman. The principal objective of the SNC is to arrive at a final agreement that would end the civil war, permit the holding of free and democratic elections and, thereby, bring about the peace that our people want so much.

We also hope the SNC can resume its work to reach the above-mentioned objective in the supreme interests of the Cambodian nation and people, independent of the question of individuals. In so doing, we would be able to respond eloquently and concretely to the appeal made by the UN Secretary General before the UN General Assembly on 10 October 1990.

Please accept our high regards

[Signed] His Excellency [H.E.] Hun Sen, H.E. Tie Banh, H.E. Kong Sam-ol, H.E. Hor Nam Hong, H.E. Chem Snguon, H.E. Sin Song

Phnom Penh Views Resistance 'Confusion' on SNC

BK2810093690 Phnom Penh Domestic Service in Cambodian 1300 GMT 27 Oct 90

[Station commentary: "Has the Other Cambodian Side Gone Mad?"]

[Text] In the past few days, the other Cambodian side has made loud noises accusing and blaming the State of Cambodia of blocking the Supreme National Council [SNC] and violating the Jakarta joint statement. Furthermore, leaders and subordinates, from top to bottom, have made efforts to falsify the role and duty of the SNC, which was set up on 10 September. In addition, some of the ringleaders even warned foreign countries not to conclude any agreement or treaty with the State of Cambodia. Others even dared to criticize a number of countries that officially received the State of Cambodia's high-ranking delegations.

We ask the following questions: Have these people not grasped the role and duty of the SNC, or are they mad? If they have not grasped the role and duty of the SNC, we would like to remind them that the SNC is a legal and the sole source of power representing Cambodia's independence, sovereignty, and unity in the transitional period. When is the period transitional? Is it from the time the Cambodian parties sign an agreement on a comprehensive solution to the establishment of a new government through free, just, and democratic elections in Cambodia?

Currently, due to the intransigence and trickery of the other side, all Cambodian sides have not yet signed an agreement on the comprehensive solution. Why do these people insist the State of Cambodia stop talking about the task of its leaders? Why do they criticize friendly countries that have invited and received the State of Cambodia's leadership for visit? Besides, the Jakarta joint statement clearly says the SNC is composed of persons who have influence among the Cambodian people. In other words, members of the SNC do not represent the government or any established institution. Why do Khieu Samphan and Ieng Muli, who are just members of the SNC, dare to threaten and frighten people that they will not recognize this or that?

Concerning the duty of the SNC, the Jakarta joint statement and the framework document of the five major powers clearly state the SNC will represent Cambodia abroad and occupy the Cambodian seat in the United Nations and in specialized UN institutions, in international establishments, and in other international meetings. The word will in this sentence confirms that the duty is in the future, that is only in the transitional period. So why do these people demand the State of Cambodia stop using its role abroad?

Furthermore, the Jakarta joint statement and the framework document of the five major powers clearly set out the role and duty of the SNC in the transitional period: Upon signing an agreement on a comprehensive solution, the SNC will transfer to the United Nations all necessary power to ensure the implementation of the comprehensive solution and cooperate wih UN Transitional Authority in Cambodia [UNTAC] in implmenting the agreement. In other words, the SNC is just a central body linking two governments to the UN transitional authorities. This means the two governments in Cambodia will not be dissolved as confirmed by Point 12 of the framework document of the five major powers, which clearly says that the special representative of the UN secretary general should investigate reports, complaints, and accusations concerning the activities of the existing government's structures in Cambodia that are not appropriate or are against a comprehensive solution. This is the role and duty of the SNC. In other words, the SNC is just a symbol of Cambodia's independence, sovereignty, and national unity and not a provisional government as those people have assumed.

Perhaps it is because of the other side's confusion that Son Sann insisted on an urgent meeting of the SNC to discuss the election of a chairman and the full role of the national council. We believe, however, the six members of the other side are old enough, and some even too old. Therefore, the recent statements were not the result of misunderstanding or confusion but a maneuver to topple the State of Cambodia government through the SNC label. This is the other side's pacification policy to achieve the dirty goal of destroying the State of Cambodia people's authorities throughout the country. For the past nearly 1[illegible] years, they have used military means in this maneuver but failed to achieve the goal. That is why they are attempting to use the SNC body to dissolve the Cambodian people's authorities and replace them with those whose hands are stained with the people's blood.

The Cambodian people do know the real face of those people who can dupe only a handful of persons who follow them. However, they cannot cheat the Cambodian people who have followed the evolution of the situation in Cambodia. In the end, those who sow the wind will certainly reap the whirlwind.

State Leaders Attend Religious Ceremonies

BK2710115490 Phnom Penh SPK in English 0420 GMT 27 Oct 90

[Text] Phnom Penh SPK October 27—Two religious ceremonies, one at Pochentong Airport and the other at Unalaom Pagoda, were organized Friday morning to receive 12 young pipal trees as gift from India.

These 12 "Pothiproek" trees (a kind of sacred fig-tree of India or pipal in Hindu) were brought here from India as gift by Indian Charge d'Affaires Rinzing Wangdi in addition to a sprout of "Salpreuk" tree (another kind of sacred fig-tree or banyan) which was handed over to Prime Minister Hun Sen during his recent visit to India.

The 12 sacred pipal trees were carried from Pochentong Airport to Unalaom Pagoda Friday morning by a procession of Buddhist monks, which was welcomed all along the way by Buddhist faithfuls and well-wishers amidst an invocation to the three jewels (Buddha, the law, and the clergy) and ritual music played by the "Pinpeat" music band.

Present, among Buddhist monks and faithfuls, state officials and employees at the Unalaom Pagoda's ceremony, were Chea Sim, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and chairman of both the National Assembly and the National Council of the United Front for Defense and Construction of the Kampuchean Fatherland; Hun Sen, Politburo member of the party Central Committee and prime minister; Bou Thang, Politburo member of the party Central Committee, deputy prime minister, and head of the Political Department of the Ministry of National Defense; Sar Kheng, Politburo member of the party Central Committee and head of its organization commission; Mat Ly, Politburo member of the party Central Committee, vice chairman of the National Assembly, and deputy head of the Inspectorate Commission of the party Central Committee; Tie Banh, Politburo member of the party Central Committee and defense minister; and Nguon Nhel, Politburo member of the party Central Committee and minister of agriculture.

Addressing the ceremony, Indian Charge d'Affaires R. Wangdi spoke of the history and location of the pipal tree of India and conveyed to the organizers a paper from the Indian Government dealing with the location of this fig-tree sacred by the Indian people and the Cambodian people as well.

In his reply, Prime Minister Hun Sen expressed profound thanks to the Indian Government and people for their support and assistance to Cambodia and for their kind gifts to the Cambodian people.

These "Pothipreuk" trees together with the "Salpreuk" tree will be planted at "Sakyakmuni Chetdei" (a stupa where pieces of Buddha remains are enshrined) just in front of the central railway station in Phnom Penh on November 2 and in a number of provinces.

It is believed that Buddha was born and died under the "Salpreuk" tree and he achieved supreme enlightenment at the age of 35 while meditating under the "Pothipreuk" tree at Bodhgaya.

Per the Buddhist faithfuls, they worship both kinds of trees.

The basic doctrines include the "Four Noble Truths" taught by Buddha: existence is suffering; the cause of suffering is desire; there is a cessation of suffering, called nirvana or total transcendence; and there is a path leading to the end of suffering, the "Eightfold Noble Path" of right views, right resolve, right speech, right action, right livelihood, right effort, right mindfulness, and right concentration.

Buddhism in Cambodia was trampled down and Buddhist monks were disrobed and mal-treated during the rule of the Pol Pot clique which practised genocide in this country from April 1975 to early January 1979. Now Buddhism, under Article 6 of the Cambodian Constitution, becomes a state religion.

[In a similar report, Phnom Penh Domestic Service in Cambodian at 1300 GMT on 26 October mentions the following additional officials as present at the Unalaom ceremony: Comrade Chea Soth, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers; Comrade General Sin Song, alternate member of the party Central Committee Political Bureau and interior minister; and Veneral Tep Vong.

[The report also cites Hun Sen as saying: These saplings have tied the Cambodian and Indian people together not only in the past but also in the present and future. The Cambodian people will always be loyal friends of the Indian people. I pray for peace for Cambodia and that these saplings become a cool shadow for Cambodian Buddhists. "May those who are searching for means to destroy Buddhism and the Cambodian people's lives return to peace and respect sincerity and the truth."]

VOK: Australia's Costello To Meet Son Sann

BK3110064190 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 31 Oct 90

[Text] The VOK newsroom has received reports saying that His Excellency Son Sann, president of the Khmer People's National Liberation Front and member of the Supreme National Council [SNC], and Michael Costello, Australian deputy foreign minister, will meet in Bangkok, Thailand, on Wednesday on the Cambodian problem.

Australian officials disclosed that Costello arrived in Bangkok yesterday for talks with Thai officials on a Cambodian peace solution. These diplomats also added that Deputy Foreign Minister Costello arrived in Bangkok from Hanoi where Costello held talks with Vietnam to break the deadlock on talks to solve the 12-year-old Cambodian problem.

Before the visit to Vietnam, Costello also visited Phnom Penh. Costello's talks in the three capitals were described by an Australian diplomat as official consultations on the Cambodian peace process, including exchanges of views on possible measures to break the deadlock on the composition of the Cambodian SNC.

There are also reports saying that Costello will perhaps meet with Samdech Norodom Sihanouk in Pyongyang, North Korea.

VONADK Says SRV Cannot Alter Documents

BK3110033690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 30 Oct 90

[Station editorial: "No Matter How Hard the Hanoi Vietnamese Aggressors Try To Deceive People, They Are Like Monkeys Making Noises in Their Cage"]

[Text] Hanoi Vietnamese ringleaders still have not given up their tricks. The Cambodian people and the world have already caught them as bandits and aggressors and put them in a cage, and yet they are still trying to use the trick of thieves, crying stop thieves.

Recently, true to their deceitful and tricky nature, the Hanoi Vietnamese aggressor leadership ordered Nguyen Co Thach to say that all foreign powers should stop intefering militarily, politically, and diplomatically in Cambodia's affairs. This is a trick of the Vietnamese bandits crying stop thieves. However, no matter how hard they try, it is like monkeys making noises in their cage.

1. The Hanoi Vietnamese have trampled on the document of the five permanent members and the UN Security Council [UNSC]'s Resolution 668/90 by successively dispatching 80,000 aggressor troops to Cambodia since August.
2. The Hanoi ringleaders have ordered Foreign Minister Nguyen Co Thach to state openly at the 45th UN General Assembly session Vietnam's opposition to the document of the UNSC's five permanent members and the UNSC Resolution 668/90.
3. The Hanoi Vietnamese ringleaders have ordered their lackeys and puppets in Phnom Penh to opose the election of Samdech Norodom Sihanouk as chairman of the Supreme National Council [SNC], the document of the five permanent members, and the Jakarta document.

The world is well aware of the activities carried out by the Hanoi Vietnamese aggressors and Vietnam's puppets and lackeys to oppose and destroy the document of the five permanent members, the UNSC resolution 668/90, and the Jakarta joint statement. The world also clearly understands the reason why the Hanoi Vietnamese oppose all these documents. This is because the Vietnamese are afraid of the control of the United Nations and UN peacekeeping force which will ensure that all Vietnamese aggressor forces are withdrawn from Cambodia. They are afraid that the SNC with Samdech Norodom Sihanouk as chairman will join with the United Nations and UN peacekeeping forces in ensuring that all Vietnamese aggressor forces are withdrawn from Cambodia. This is because the Vietnamese still continue to occupy Cambodia in accordance with the small, medium, and large Indochinese federation.

On this occasion, the Cambodian people would like to remind the Hanoi Vietnamese aggressors of the following.

1. The true nature of the war in Cambodia is that this is a war of aggression of the Hanoi Vietnamese; the latter should bear full responsibility for it. They absolutely cannot set themselves as outsiders in the Cambodian problem. No matter how hard they try to do this, they cannot succeed.
2. The Phnom Penh puppets are Vietnam's tools of aggression propped up by Vietnamese tanks, artillery, all types of weapons, and hundreds of thousands of Vietnamese aggressor troops. Twelve years ago, they were Vietnam's instruments of aggression; they remain the same tools now used by Vietnam to hide and cover up old and new Vietnamese aggressor forces in Cambodia and also to destroy the document of the five permanent members, the UNSC Resolution 668/90, and the Jakarta joint statement. The Hanoi Vietnamese certainly cannot cheat on these issues.

The Hanoi Vietnamese should end Vietnam's war of aggression in Cambodia and abide by the five permanent members' document, the UNSC Resolution 668/90, and the Jakarta joint statement. The Hanoi Vietnamese have the duty to order their puppets and lackeys to abide fully by these three documents without any alterations or additions. The Cambodian people want Cambodia liberated from Vietnam's devilish grip. They want Cambodia's independence and peace restored and all types of Vietnamese aggressor forces withdrawn from Cambodia. They want the United Nations and UN peacekeeping force to join with the SNC with Samdech Norodom Sihanouk as chairman to ensure all types of Vietnamese aggressor forces are withdrawn from Cambodia. The Cambodian people therefore demand that the Hanoi Vietnamese aggressors and their puppets abide by and implement the five permanent members' document, the UNSC Resolution 668/90, and the Jakarta joint statement in their entirety without any alterations or additions.

The Cambodian people, like the overwhelming world majority, will not allow the Hanoi Vietnamese to continue occupying Cambodia and will absolutely not allow the Hanoi Vietnamese and their puppets to destroy the UNSC five permanent members's document, the UNSC Resolution 668/90, and the Jakarta joint statement.

For the past 12 years, the Cambodian people have struggled valiantly and bravely against the Vietnamese aggressors and have been able to bog them down. Now that the Hanoi Vietnamese aggressors are facing a serious situation on the battlefield of aggression in Cambodia and that the sources of aid from East Europe and the Soviet Union are no longer there, no matter how hard the Hanoi Vietnamese try, they certainly cannot get themselves out. They absolutely will have to abide by and implement the five permanent members' document, the UNSC Resolution 668/90, and the Jakarta joint statement without any alterations or additions.

AFP: Sinahoukists Deny Assisting Khmer Rouge

BK3010152590 Hong Kong AFP in English 1452 GMT 30 Oct 90

[Text] Bangkok, Oct 30 (AFP)—Forces loyal to non-communist Cambodian resistance leader Prince Norodom Sihanouk on Tuesday denied cooperating with the Marxist Khmer Rouge in a recent attack in northwestern Cambodia. A statement released by the former monarch's Bangkok office also rejected a recent victory claim by Khmer Rouge clandestine radio against Cambodian Government troops in Siem Reap Province near the ancient Angkor Wat temple complex on Thursday.

"The fact that the Democratic Kampuchea (Khmer Rouge) radio mentions only 'Cambodian national resistance' does not mean that there are joint military operations between the non-communist resistance and the Khmer Rouge, or that the Khmer Rouge participated," the statement said.

The clandestine radio of the Marxist faction claimed Monday that "on October 26, our national resistance forces attacked and totally liberated Svay Leu District seat in Siem Reap Province." The radio said it was a "combined political and military offensive," adding that local residents "are very happy with the liberation of their villages and communes because they can now completely harvest their crops."

But Prince Sihanouk's office here had already issued a statement one day earlier claiming that forces from two brigades of his faction had taken the same district seat on October 24. The earlier statement claimed that weapons, motorcycles and rice had been seized by Sihanoukist troops who overran the district seat, some 50 kilometers (30 miles) east of the provincial capital of Siem Reap.

Alleged cooperation with the Marxist Khmer Rouge, accused of genocide while ruling Cambodia from 1975-1979, has become a sensitive issue with the two non-communist resistance factions that receive support from Western countries. The U.S. Government has rejected allegations in Congress that its aid, classified as non-lethal, to the non-communist guerrillas was in fact reaching the Khmer Rouge.

There have been several cases of conflicting claims by Chinese-backed Khmer Rouge and Sihanoukist forces on the battlefield, but the Khmer Rouge have occasionally reported cooperating with the prince's faction in attacks.

The Khmer Rouge's 20,000 guerrillas have become the military backbone of the resistance coalition since the radical group was ousted from power when Vietnam invaded Cambodia in late 1978 to install a client government. The coalition, which fields a total of 40,000 guerrillas in Cambodia, also includes another non-communist faction led by a former conservative prime minister, Son Sann.

Determination To Thwart SRV Maneuvers Viewed

BK2710132790 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 26 Oct 90

[Article: "Fight and Thwart the Maneuvers of the Vietnamese Enemy Aggressors and Their Puppets and Lackeys To Escalate the War of Aggression in Cambodia and To Continue Occupying Cambodia"]

[Text] The Hanoi Vietnamese enemy aggressors recently ordered their lackeys, the Phnom Penh puppets, to shout loudly that they will launch large-scale offensives against the Cambodian national resistance forces this coming dry season. This anouncement by these Vietnam's puppets is in accordance with the current situation in which Vietnam has been bringing fresh Vietnamese troops and a lot of war materiel from Vietnam to Cambodia. It corresponds to the intensified activities by Vietnam and its puppets to draft Cambodian youths to escalate the war of aggression in Cambodia.

These activities clearly expose the warmongering nature of the Hanoi Vietnamese aggressors and their puppets and show that the Vietnamese masters and their puppets in Phnom Penh do not want to settle and end the war of aggression in Cambodia politically and comprehensively. This also clearly shows that Vietnam and its puppets are grossly violating the document of the UN Security Council's [UNSC's] five permanent members, the Jakarta joint statement, and the UNSC resolution. They try to destroy these three documents to prevent a solution to end Vietnam's war of aggression in Cambodia so Vietnam can continue occupying and controlling Cambodia.

The Cambodian people in and outside the country and the Cambodian national resistance forces have furiously exposed and denounced the Hanoi Vietnamese aggressors and their puppets who intensify activities to continue the war of aggression in Cambodia. The Cambodian people and the Cambodian national resistance forces are absolutely holding aloft the banner to fight and thwart these plans to escalate the war of aggression of the Vietnamese aggressors until they agree to implement the Jakarta agreement they have signed, the document of the UNSC's five permanent members, and the document of the entire UNSC.

SRV Uses 'Deceptive Propaganda' To Hide Troops

BK2810065990 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 26 Oct 90

[Station article: "Peace Will Certainly Be Restored to Cambodia If Vietnam and the Vietnamese Lackey Puppets in Phnom Penh Genuinely Respect and Implement the Jakarta Agreement and the Framework Document of the Five Permanent Members of the UN Security Council"]

[Text] Upon his arrival in Tokyo, Japan on 23 October, Vietnamese Foreign Minister Nguyen Co Thach pretended to appeal to Japan to help seek peace for Cambodia. The call was made at a time when over three divisions of fresh Vietnamese troops were shipped from Vietnam to Cambodia between August and October 1990. At present, they are continuing to send troop reinforcements to the country. The newly dispatched SRV troops together with the existing Vietnamese soldiers are cooperating with the Heng Samrin-Hun Sen army in launching military operations everywhere in an attempt to fight and retake liberated zones from the forces of the Cambodian national resistance.

On the diplomatic battlefield, the Hanoi Vietnamese aggressors have ordered Hun Sen of the Phnom Penh side to brutally destroy the Jakarta agreement by creating obstacles to Samdech Norodom Sihanouk's election to the chairmanship of the Cambodian Supreme National Council. As for Nguyen Co Thach himself, at the UN General Assembly on 4 October 1990, he openly spoke against the framework document of the five permanent members of the UN Security Council [UNSC], which provides a comprehensive political settlement to end the Vietnamese war of aggression against Cambodia. In particular, he opposed the presence of a UN transitional authority and a UN peacekeeping force in Cambodia.

Vietnam's objective is to hide its troops and other aggressor forces in Cambodia to continue propping up the regime it has installed in the country forever in accordance with its Indochinese federation strategy. As such, Nguyen Co Thach's utterance for help in restoring peace to Cambodia is nothing but deceptive propaganda aimed only at disguising Vietnam's military activities on the Cambodian battlefield.

Nevertheless, the international community as well as the Cambodian people are not so stupid as to allow themselves to be cheated by the Vietnamese's fallacious propaganda. They unanimously hold that the five UNSC permanent members' framework document and the Jakarta agreement endorsed by the entire UNSC are the unique groundwork for settling and putting an end to the Vietnamese war of aggression in Cambodia. Providing Vietnam respects and implements the documents and orders its Phnom Penh lackey puppets to do the same, the peace issue in Cambodia will certainly be resolved.

Phnom Penh Urged To Stop 'Hostile' Activities

BK2710122690 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 27 Oct 90

["Political commentary": "Hun Sen Should Stop Hostile Activities Against Fellow Cambodians"]

[Text] Following the session of the Supreme National Council in Bangkok, we have noticed that the activities of the Hun Sen regime are still against Cambodian national reconciliation. Unless we are mistaken, this is serving Vietnam's policy of aggression in Cambodia. What is the basis of our affirmation?

At this juncture, the United Nations should help create a situation in Cambodia to allow the Cambodian people to vote and decide Cambodia's destiny. This is the best opportunity for Cambodians who have yearned in earnest for peace. Therefore, to fulfill this peace plan, Cambodians must recognize one another as part of the same race. However, Hun Sen and the Heng Samrin regime's propaganda machine continue to adhere to an attitude showing hostility toward us.

Lately, Hun Sen used an insolent and impolite language against Samdech Norodom Sihanouk and His Excellency Son Sann. What does Hun Sen want by using this uncivilized language? Why does Hun Sen want to prolong the hostility when Cambodians should agree and unite. For us, we have never considered Heng Samrin, Hun Sen, and Chea Sim as our enemies. We have clearly determined that our enemies are Vietnam and its policy of aggression. However, we also do not want to see any Cambodian group serving Vietnam's policy. It is with this view that in the past we have softened our attitude and agreed to talk directly to the Heng Samrin-Hun Sen group. We have abandoned our demand to talk to Vietnam, although the truth of the Cambodian problem is one of Vietnam's committing aggression against Cambodia. We agreed to talk to the Heng Samrin-Hun Sen group because we believe that this group is Cambodian through and through. If we and the Heng Samrin-Hun Sen group could be reconciled, then Vietnam would no longer have any pretext to continue its policy of controlling Cambodia; Cambodia would have its independence back from Vietnam.

Our efforts have led to a consensus among international opinion on a solution to the Cambodian problem. After the five major powers—namely the United States, China, the Soviet Union, France, and Britain—worked out a peace plan for Cambodia, our efforts have reached the final phase. Thus, at this final stage, the Hun Sen group should stop carrying out activities against the principle of Cambodian national reconciliation; this might spoil the five major powers' peace plan.

Now is the time for all Cambodians of every political tendency to join hands in rebuilding an independent Cambodia with full sovereignty while the entire international community is helping Cambodia to achieve it. History has taught Cambodian children that Cambodia will be lost when Cambodians are split. The Hun Sen group should recognize this truth and stop handing the sword's handle to Cambodia's enemies.

Khieu Samphan, Son Sen Greetings to Sihanouk

BK3010064290 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 29 Oct 90

[Text] To Samdech Norodom Sihanouk, president of Cambodia and head of the Cambodian national resistance forces, Pyongyang.

Esteemed Samdech: On this auspicious occasion of your birthday, all of us, cadres and male and female combatants of the party of Democratic Kampuchea, would like to join with our compatriots inside and outside the country in extending our best wishes to you. May you enjoy good health, long life, and successes in your capacity as the president of Cambodia and head of the Cambodian national resistance forces.

With the samdech as head of the Cambodian national resistance forces, we have joined hands with our people in waging our struggle, scoring successive victories, until today when the light for our national liberation is seen clearly.

In this new stage of our people's struggle, our people will certainly score more victories in the fight to force the Vietnamese aggressors and their puppets to respect and implement fully the Jakarta joint communique and the basic document of the five permanent members of the UN Security Council, as well as to accept unconditionally the samdech as chairman of the Supreme National Council.

With firm determination to join with our people in fulfilling this new mission and through this confidence, all of us extend best wishes to you. On the same occasion, we extend our best regards to Neak Moniang [title of Sihanouk's wife] and wish her good health. We beg the samdech to please accept our profound sentiments of love and respect.

[Dated] 26 October 1990
[Signed] Khieu Samphan, head of the party of Democratic Kampuchea and vice president of Cambodia in charge of foreign affairs; Son Sen, deputy head of the party of Democratic Kampuchea and minister attached to the Coordinating Committee for National Defense

Indonesia

Alatas Says Cambodian Solution 'Imminent'

BK3110071090 Jakarta ANTARA in English 1732 GMT 30 Oct 90

[Text] Paris, Oct. 31 (OANA-ANTARA)—Foreign Minister Ali Alatas has stated that a comprehensive solution of the Cambodian problem is imminent after he reached agreement with his French counterpart Roland Dumas, co-chairman of the International Conference on Combodia (ICC) in Paris to resume the talks on the Cambodian issue through the ICC. "Efforts to solve the Cambodian problem have shown positive developments lately", Minister Alatas told ANTARA in Paris Monday evening after a meeting with Dumas.

The new developments, said Alatas, could be seen particularly after the five permanent members of the UN Security Council approved a plan on the peaceful solution of the Cambodian issue and the decisions made at the Jakarta meeting on Cambodia. In the last Jakarta meeting the four Cambodian warring factions reached agreement on the plan for a Cambodian settlement including the setting up of a Supreme National Council (SNC). Alatas also referred to other significant developments such as the General Assembly session and the Security Council meeting on 28 August, which approved the framework of a Cambodian settlement and called on Indonesia and France as co-chairmen of the ICC for deliberations on the Cambodian issue as further steps towards a peaceful settlement. Therefore, said Alatas, the foreign ministers of the two countries met in Paris discussing concrete steps to reach agreement on a comperehensive settlement of Cambodian conflict.

In the meeting which took place Monday afternoon, the two foreign ministers agreed to hold further meetings which will be preceeded by a preliminary meeting attended by senior officials from Indonesia and France as the co-chairmen and from other countries such as India, Canada, Malaysia, Laos, Australia, and Japan who have shown their active participation in efforts to reach a peaceful settlement of the Cambodian conflict. The Senior Officials Meeting (SOM) is scheduled to be held in Jakarta in early November to discuss a draft agreement for a comprehensive political solution. The decision made at the meeting will be presented to the coordinating committee's meeting scheduled to be held in Paris at the end of November. After the draft agreement has been discussed by the coordinating committee, a foreign ministers meeting will be held in Paris to further discuss the draft agreement and to give a final approval. The Paris meeting, the third round meeting on Cambodia, will be attended by the factions involved in the Cambodian conflict.

Suharto Receives PRC, Cyprus Envoys 27 Oct

BK2810084190 Jakarta ANTARA in English 0736 GMT 28 Oct 90

[Text] Jakarta, Oct 28 (ANTARA)—President Suharto Saturday [27 October] received the credentials of the new Chinese ambassador to Indonesia, saying that it was time for Indonesia and China to develop friendship and bilateral cooperation especially in the economic and trade fields. The new Chinese ambassador to Indonesia is Qian Yongnian.

President Suharto, who was accompanied by Foreign Minister Ali Alatas and Minister/State Secretary Murdiono at the credentials presentation ceremony, said the resumption of diplomatic ties between Indonesia and China on August 8 this year was a historic milestone in the relations of the two countries. He said he was hoping that his visit to China in November will consolidate the relations further.

Chinese Prime Minister Li Peng had visited Indonesia in August among other things to witness the signing of the agreement on resumption of relations between the two sides.

In resuming relations, President Suharto said, the two sides had agreed to mutually respect the sovereignty of each other, not to interfere in each other's internal affairs and to promote mutual trust. He said he believed the resumption of relations between Indonesia and China would benefit not only the two countries but also the whole world.

In presenting his credentials, Ambassador Qian Yongnian voiced his conviction that the thawing of frozen relations between China and Indonesia constituted a new chapter in efforts to enhance bilateral ties. We are confident that Indonesia-China relations will achieve significant progress, Qian said. Qian also conveyed the greetings of Chinese President Yang Shangkun and Prime Minister Li Peng.

He also lauded Indonesia's role in, together with France, leading the Paris International Conference on Cambodia
.

Not long afterward, President Suharto also received the credentials of the new Cypriot ambassador to Indonesia, Andreas Pirishis. On this occasion, the president said Indonesia supported the steps taken by the United Nations in effort to settle the Cyprus problem.

I hope negotiations between the leaders of the Greek and Turkish communities in Cyprus held under the auspices of the United Nations would be continued until a thorough settlement had been achieved in line with the wishes of all sides involved, President Suharto said.

The United Nations has been involved in efforts to settle the Cyprus problem for years, which arose from conflicts between the Greek and Turkish communities in the country.

Laos

Phoumi Vongvichit Grants Interview to VNA

BK3010125590 Vientiane Domestic Service in Lao 0500 GMT 29 Oct 90

[Interview with Phoumi Vongvichit, member of the Lao People's Revolutionary Party Central Committee Political Bureau, acting president, and chairman of the Lao Front for National Construction Central Committee, by a Laos-based correspondent of VNA and Vietnam television in Vientiane on 26 October 1990—read by announcer]

[Text] [Correspondent] The multiethnic people in Laos are joyously preparing to celebrate the 15th anniversary of the establishment of the Lao People's Democratic Republic [LPDR]. Could you, comrade, explain the great historic significance of the 2 December 1975 event and the various decisive factors of that victory?

[Phoumi Vongvichit] The multiethnic Lao people were submerged in the darkness of feudalism, French colonialism, and U.S. imperialist neocolonialism for many centuries. To liberate themselves and their country, the Lao people of all ethnic groups after years and years rose up to fight against that oppression and exploitation. Nonetheless, their struggle did not win any victory because it lacked a unified leadership as well as unity among the people of all tribes throughout Laos. The struggle, however, showed that the multiethnic Lao people were patriotic and willing to make sacrifices in trying to liberate themselves from the yoke of oppression and exploitation at the hands of the feudalists and foreign colonialists.

On 23 August 1945, under the leadership of the Indochinese Communist Party and relying on the historic victory scored by the Vietnamese people, the Lao people resolutely rose up throughout the country to seize power from the Japanese fascists, who had just been defeated by the allied forces, and brought together all Lao people into a united Lao front movement with the aim of safeguarding the independence, unification, and territorial integrity of Laos. The movement to unite the entire Lao people subsequently grew stronger and bigger until it managed to defend the entire Lao territory and to set up a parliament and the Lao Itsala [free Lao] government on 12 October 1945. The new government's goal was to put up resistance against the French colonialists who had been driven out of Laos by the Japanese forces and who were preparing to return to reoccupy Laos for the second time.

After that, the Lao Itsala armed forces coordinated with the Vietnamese volunteer forces to launch counterattacks against the French colonialists in all provinces in Laos. Even though the Lao Itsala government surrendered to the French colonialists in 1949, the Lao people's national liberation struggle against the French colonialists managed to score victory when the Lao people's armed forces coordinated with the Vietnamese liberation armed forces in defeating the French colonialist forces at the Dien Bien Phu battlefield in 1954. The Lao people were overwhelmingly happy with that victory and entertained high hopes of building Laos in peace and of sending a delegation of the Lao Itsala Front, their political organization, to hold negotiations with those Lao elements serving the French colonialists with the aim of reunifying the Lao people of both sides.

At that time, the Indochinese Communist Party divided its members into three groups, namely the Vietnamese, Lao, and Cambodian members, to allow them to build their respective countries in accordance with the prevailing conditions in each country. The negotiation between the two Lao sides ran into difficulties because at that time the U.S. imperialists jumped into Laos to replace the French colonialists and to take control of the armed forces and administrative organizations of the former French henchmen. They deployed armed forces to launch nibbling attacks against the two regrouping provinces [of Houa Phan and Phong Saly], which had been earlier assigned to be under the jurisdiction of the Lao Itsala Front according to the 1954 Geneva Agreement. After suffering heavy defeats, the U.S. imperialists and their henchmen agreed to sign the Vientiane Agreement and to set up the first coalition government in November 1957.

However, after having consolidated their armed forces, the U.S. imperialists and their lackeys toppled the coalition government and took into custody leaders of the Lao Itasala Front, which by then had been transformed into the Lao Patriotic Front [LPF], and launched suppression drives against representatives of the LPF throughout the country.

After the LPF leaders managed to escape from prison three months later, on 9 August 1960, an airborne battalion—a unit organized and trained by the Americans themselves in anticipation of major fighting—staged a coup toppling the puppet U.S.-lackey government. It called on the LPF forces to join with the government installed by the junta leaders to drive the U.S. imperialists out of Laos. A number of LPF leaders came to Vientiane to hold negotiations with the Vientiane government, which had Prince Souvanna Phouma as prime minister.

In the meantime, Phoumi Nosavan, with support from the Thai Government, sent his forces to seize Savannakhet and Khammouane Provinces and to attack Vientiane. At that time, leaders of the LPF and the government headed by Prince Souvanna Phouma agreed to divide their combined forces defending Vientiane into two parts—one part to fight against the advancing Phoumi Nosavan forces and the other to liberate the Phou Khoun area, the Plain of Jars, and finally all of Xieng Khouang Province by 1 January 1961. After the combined forces of the LPF and the Patriotic Neutralist Forces of Prince Souvanna Phouma managed to liberate half of the country, the United States and their henchmen proposed calling a cease-fire and convening the second Geneva Conference in May 1961 with the participation of delegations from 14 countries and the Lao delegation composed of representatives of the LPF, the Souvanna Phouma government, and the Phoumi Nosavan faction. After the conference, a tripartite coalition government was set up in Vientiane.

Nine months later, the U.S. imperialists and their henchmen assassinated the then foreign minister and toppled the coalition government thereby intensifying their war of aggression. Following the liberation of four-fifths of the country by the patriotic armed forces in 1972, the U.S. imperialists and their lackeys were forced to hold talks with the LPF, sign the Vientiane Agreement on 21 February 1973, agree to the establishment of the third coalition government in early 1974, turn the capital city of Vientiane and Luang Prabang into neutral cities under the protection of equal numbers of police and soldiers from both sides, and set up a joint political council in Luang Prabang.

The council later issued two documents, namely, the 18-point program for the coalition government to implement and the decree guaranteeing the democratic rights and freedoms of the Lao people. The documents were propagated among the people nationwide. After having studied the two documents that enabled them to discern their friends from their foes, the Lao people rose up to dismiss the reactionary heads of villages, cantons, districts, and provinces nationwide and replace them with those who truly served the people's interests. Later, the LPF invited the representatives of all strata and tribes to attend a congress in Vientiane in late November 1975. The congress proposed that the joint political council, coalition government, and the king resign, which was followed by the establishment of the Lao People's Democratic Republic on 2 December 1975.

The aforementioned great victory can be attributed to the following: the strength of the people who decided to rise up against the reactionaries throughout the country; the mutiny staged against the Vientiane side by the armed forces of the U.S.-lackey reactionaries; the existence of the patriotic forces; and the solidarity and unity within the Political Bureau of the party Central Committee, the party, and among the soldiers and people who had high revolutionary consciousness.

[Correspondent] Can you tell us about the major achievements scored by the Lao people in implementing the two strategic tasks laid down by the LPRP, other related plans and policies, and the lessons drawn from the task of restructuring?

[Phoumi Vongvichit] When we first established the LPDR, 65 percent of the Lao population was illiterate. The Lao people suffered from economic backwardness and the consequences of the national liberation war which lasted over 30 years. They encountered poverty and hardship in all aspects. They could not produce enough to feed themselves and had to rely on rice distributed by the U.S. imperialists. Laos was turned into a new type of colony of the U.S. imperialists.

The LPF and the LPDR government [words indistinct] mobilized the people to carry on the strategic tasks of national defense and construction. We attach high significance to the tasks of national construction, eradicating illiteracy, developing education, improving public health, and expanding irrigation networks so we can increase the areas under rice cultivation through intensive agriculture. The country's total rice production in 1980 was 1.2 tons. The harvest has been increasing ever since. By 1989, our rice production reached 1.4 million tons, and we expect to produce 1.5 million tons this year.

At the same time, the river, land, and air communications routes have been improved. We have tried to eradicate the cultural and social values left behind by neocolonialism to create a new image for our country and follow the path toward socialism. The lesson we have learned is that wherever the people have become literate and have attained higher education, the material and cultural livelihood of the people in that area has improved. Wherever the LPF is able to mobilize and recruit the people of all tribes and ages to implement the four basic tasks—defending the country and maintaining peace and order; increasing economic production; promoting education and public health; and renovating culture and supporting religions—better living conditions are achieved. Wherever party units can expand and people are united and cooperative with the Lao Front for National Construction, the people will be able to effectively carry out the two strategic tasks laid out by the party.

We believe the task of restructuring is necessary for our country to advance in all areas. Our party and government have carried on the task of restructuring in conformity with the rights and interests as well as the potential of the Lao people and creating conditions for them to exercise their democratic rights and freedoms extensively under the party leadership so they will be able to further improve their economic, political, and sociocultural life. This will result in humanitarianism florishing in Lao society, the economy becoming richer, the country more beautiful and prosperous, and the people stronger in defending the nation and maintaining peace and order. Through our restructuring efforts, our country has become much more beautiful than it ever was under the old regime.

[Correspondent] Will you please tell us about the orientations and principles for the improvement and strengthening of special friendly relations and comprehensive cooperation between Laos and Vietnam in the new era?

[Phoumi Vongvichit] The fates of Vietnam and Laos are interrelated and inseparable. The Vietnamese people, under the leadership of the Communist Party of Vietnam founded by President Ho Chi Minh, voluntarily helped the Lao revolution in terms of moral and material support as well as in providing lessons; even their flesh and blood helped to win the final victory. During the new period of national construction, the Vietnamese party, government, and people still continue their unconditional support. The Lao party, government, and people are forever grateful to the Vietnamese party, government, and people. I believe that from now on the parties, governments, and peoples of the two countries must further increase special solidarity and all-around cooperation so we can march together along the path toward enhancing the well-being of the people. We, the Lao side, will do our utmost to strengthen the special solidarity between our two parties, governments, and peoples.

PASASON Reviews Situation in Sekong Province

BK2810100090 Vientiane Domestic Service in Lao 0000 GMT 28 Oct 90

[PASASON article; date not given: "Sekong Province Is Doing Well With Its Tasks of National Defense and Maintenance of Public Security"]

[Text] During the period of national liberation struggle against the war of aggression by both old and new colonialism, Sekong Province was one of the strong bases of the revolution—a rear front with a firm political foundation—and it made a significant contribution to the overall victory of the national democratic revolution.

Maintaining such a brilliant tradition in carrying out the tasks of national defense and construction under the capable leadership of the Lao People's Revolutionary Party, Sekong Province has been able to score achievements and great victories in many areas, thus creating a solid foundation for further progress. The provincial party and administrative organizations have paid close attention to the tasks of national defense and maintenance of peace and security and encouraging the people to take part in the tasks of national defense and maintenance of public security. Therefore, the people and Armed Forces in the province have been able to check in a timely manner all military, espionage, socioeconomic, cultural, and propaganda schemes lauched by the enemies in 1990. Their renowned achievement was the capture of the six spies in the municipality of Sekong Province in late June 1990. This shows the unshakable traditional sense of patriotism of the local people.

Sekong Province has cooperated with its SRV sister province of Quang Nam-Danang in stepping up more than ever before the defense of the Lao-Vietnamese border of friendship. For example, the two provinces have made joint efforts in the suppression of the opportunitists who earn their living through illegal means, violations of sovereignty of their two countries, exploitatation of valuable natural resources, and border crossing without permission from either side to prevent the enemies from infiltrating into the country. Meanwhile, the living conditions of fraternal cadres and combatants in the province have been improved step by step. Sekong Province has taken actions to revise salaries of cadres and combatants, develop the grass roots, improve the local forces, and increase manpower for the expansion of the national defense and public security networks. Consequently, Sekong Province is in the position to move ahead for better changes in the fields of socioeconomic development, national defense, and public security maintenance in the province.

Phoun Sipaseut Meets Thai Parliamentary Group

BK2610153290 Vientiane KPL in English 0900 GMT 26 Oct 90

[Text] Vientiane, Oct 26 (KPL)—Mr Phoun Sipaseut, vice-chairman of the Council of Ministers, minister for foreign affairs of the Lao PDR [Lao People's Democratic Republic], yesterday afternoon received here Mr Siphanom Wichitworasan, member of Thai parliament of Sakon Nakhon Province, member of Thai Parliamentary Commission for Foreign Affairs.

The two personalities discussed several issues of common interest in particular the common border issue involving the construction of road access linking the bordering areas, and the electric power production.

During his visit here ending today the Thai MP also met with Mr Thongloun Sisoulit, deputy minister of foreign affairs, vice-chairman of the Lao-Thai Cooperation Commission, Mr Chaleun Yiapaoheu, standing member of the People's Supreme Assembly, and Mr Khamphan Simmalavong, deputy miniter of trade and tourism.

Phoun Sipaseut Attends CSFR Reception 27 Oct

BK2710120290 Vientiane KPL in English 0855 GMT 27 Oct 90

[Text] Vientiane, Oct 27 (KPL)—The charge d'affaires of the Czech and Slovak Federal Republic Mr. Bohumil Mazamek hosted here yesterday a reception on the occasion of his country's 72nd independence day (October 28, 1918-1990).

Attending the reception were Mr. Phoun Sipaseut, vice chairman of the Council of Ministers, minister of foreign affairs, ministers and senior Lao officials, diplomatic corps and representatives of international organizations.

Phoun Sipaseut Receives New Burmese Diplomat

BK2510144490 Vientiane KPL in English 0924 GMT 25 Oct 90

[Text] Vientiane, Oct 25 (KPL)—Vice Chairman of the Council of Ministers and Minister for Foreign Affairs Phoun Sipaseut, yesterday afternoon, granted an audience to the new counselor and charge d'affaires a.i. of Myanmar [Burma] to Laos [name not given].

The Lao foreign minister, on this occasion, congratulated the newly appointed charge. The two personalities discussed several issues pertaining to the expansion of the time-honored relations of friendship between the two countries.

Philippines

Aquino Says Bases Talks To Resume Next Month

HK3010135190 Manila Radio Veritas in Tagalog 1300 GMT 30 Oct 90

[Text] President Aquino announced that talks regarding the future of the U.S. bases in the country will resume next month. In her speech before the Foreign Correspondents Association, the president stated that the government wants to take over Clark Air Base next year. However, she said that the Philippine Government is still studying the U.S. Government's request to use Clark Air Base for its planes and its continued use of Crow Valley. The president expressed the hope that the relationship between the U.S. and the Philippines does not only revolve around the U.S. bases.

Aquino on Concern Over Japanese Military Power

HK3110035790 Manila THE MANILA CHRONICLE in English 31 Oct 90 p 3

[By Marites Paez]

[Text] President Aquino, sharing many Southeast Asian leadeers' concern over Japan acceding to pressure to send troops to the Gulf, said yesterday she would rather see the Japanese remaining an economic giant than becoming a military power.

"We believe that since Japan is now an economic power, it will be more concerned with the economy...and continue to involve itself with helping the economies of developing nations like the Philippines," the President told members of the Foreign Correspondents Association.

She said she also shared Foreign Secretary Raul Manglapus' view that there was a "bit of concern" in Southeast Asia over the possibility of Japan sending a peacekeeping force to the tense Middle East because of fears of the resurgence of Japanese militarism reminiscent of World War II.

Japanese forces invaded many countries in Asia, including the Philippines, and were accused of committing numerous atrocities in occupied territories during the war. But the President was optimistic that Japan, now that largest economic power, would be more circumspect about its role in world politics. [sentence as published]

The United States, backed by its Western allies, has been pressuring Japan to send a contingent of unarmed troops to back up American soldiers deployed in the Middle East following Iraq's invasion of Kuwait.

The Asian power, limited by its constitution to keep only a self-defense force, has yet to decide on the U.S. request, although it is also under pressure at home and [from] neighboring countries not to send troops.

President Aquino is scheduled to visit Japan for the enthronement of Emperor Akihito on Nov. 12. She said she also planned to meet with Japan's economic and finance minister.

Japan said last Monday that the Philippines' share in its $2-billion Asean-Japan Development Fund would form part of its contribution to the U.S.-initiated multi-billion Philippine Assistance program.

Earlier this month it was reported to have deferred approval of its annual soft-loan package to the Philippines, a move viewed by Manila officials as part of an effort [by] international creditors to make Mrs. Aquino push harder for certain economic-policy measures now stalled by strong opposition at home.

Aquino Rejects Amnesty for Coup Leaders

HK3010095390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 30 Oct 90

[By Dick Sinchongco]

[Text] President Cory Aquino strongly rejected a proposal to grant amnesty to leaders of previous attempts to overthrow the government. The president stressed, in her meeting with the Foreign Correspondents' Association of the Philippines, that her mind is not open to the granting of amnesty to coup leaders like former Colonel Gregorio Gringo Honasan. According to the president:

[Begin recording in English] But I think it is important for us to think of amnesty based on justice, and so perhaps the less guilty we could be considering giving amnesty to, especially those who were just hoodwinked or not told exactly what they were going into. But in so far as the leaders of these coup attempts are concerned, I'm afraid my mind is not open to an amnesty at this time. [end recording].

The president, however, said that she is leaving to Congress whether or not to consider the amnesty proposal submitted by the opposition during the last National Security Council meeting.

Military 'Agreeable' to Amnesty

HK3110035990 Manila THE MANILA CHRONICLE in English 31 Oct 90 p 3

[By staff member Joey Caburnida]

[Text] The military is "agreeable" to a proposal granting amnesty to all junior officers who joined previous coup attempts against the government, according to a ranking military official. The official, who refused to be identified, added that pardoned former rebels must first be retrained to ensure that they do not repeat their misdeeds.

This proposal surfaced during a day-long meeting between top defense and military officials and members of the Davide Commission who formally submitted their final report to Defense Secretary Fidel Ramos at Camp Aguinaldo yesterday.

Ramos had ordered the armed forces chief, Gen. [General] Renato de Villa, to form a special team to study the findings and recommendations of the commission which looked into the Dec. 1989 coup attempt.

During the meeting, the same military official acknowledged that some of his colleagues have a "lackadaisical" attitude toward the issue of human rights. This attitude, he said, was apparently due to "very few convictions" of military officers for human rights violations.

Meanwhile, two military officers and a young police lieutenant with the Western Police District (WPD) are being closely watched by the military intelligence for recruiting followers into the Young Officer's Union [YOU]. A Camp Aguinaldo source said the three officers ironically belong to the intelligence service.

The police officer was said to be "actively" convincing fellow young officers to join the rebel cause. He was recently seen trying to convert other young officers from Metro Manila.

In the Villamor air force base in Pasay City, another military fraternity is reportedly soliciting funds from its members to finance a YOU coup attempt, the same source said.

Aquino 'Will Not Run for Another Term in 1992'

HK3110035390 Manila MANILA BULLETIN in English 31 Oct 90 pp 1, 23

[By Fred M. Lobo]

[Text] President Aquino categorically said yesterday that she will not run for another term in 1992. The President said that she may endorse somebody or a presidential team if asked to do so at the proper time.

Mrs. Aquino made known her plans in a press conference yesterday with members of the Foreign Correspondents Association of the Philippines (FOCAP). Asked if she is running in 1992, the President said: "No, I am not."

It was the first categorical statement of the President on her plan not to run after the recent meeting of the Davide Commission which recommended to her to make such announcement. Mrs. Aquino had previously said several times that she will not seek another term.

However, speculations on the possibility of her seeking another term arose after her speech at the recent convention of the Laban ng Demokratikong Pilipino (LDP) [Struggle of Philippine Democrats] at which she said that her enemies and her critics" may have another think coming."

On the other hand, Mrs. Aquino said that she may endorse a presidential candidate or a team if she is asked to do so. However, she said that she will only do it at the proper time, noting that there are about five to six presidential aspirants.

Ramos' Pledge To Preserve Constitution Viewed

HK3110040590 Manila THE MANILA CHRONICLE in English 31 Oct 90 pp 1, 6

["Analysis" by Amando Doronila: "Ramos Sending Signals for '92 Polls"]

[Text] In the strongest statement he ever made in support of the constitutional system, the defense secretary, Gen. [General] Fidel Ramos, on Monday pledged to defend the government of President Aquino until the end of her term in June 1992.

It is worth repeating what he said: "We in the defense department and the armed forces are committed to her that we shall help and do our utmost in seeing to it that she should serve until the last day of June 1992." This is not merely General Ramos' commitment; it is an institutional commitment on behalf of the armed forces.

This unqualified declaration of support raises the question why General Ramos made an emphatic commitment to defend the government at a time when the peril that it would be overthrown has ebbed following the collapse of the Mindanao rebellions. The answer to this question leads to another issue which many people are beginning to ask—whether there is still time left for a dark horse to emerge for the next presidency.

The commitment of General Ramos to defend the constitutional system has been demonstrated by deeds—by throwing the weight of the fractious armed forces behind the government in the seven coup attempts. Thus, the possible explanation for General Ramos' emphatic pledge is that he is sending the political signal that he is putting himself in a position to formally seek the presidency in 1992.

The message he is sending is that, if he aspires for national leadership, it must have the legitimacy of a constitutional mandate, not the illegitimacy of a coup d'etat. This cloak of constitutional legitimacy is important for the next government because it will be saddled with the legacy of an economy in a shambles, a weakened central government and an armed forces not yet entirely reintegrated into civil society. The next government must be perceived to have legitimacy to be able to mobilize support behind its policies and programs.

It stands to reason that a government installed by violent and illegal means will find it difficult to govern a republic that, for the most part, has had more comfortable association with democratic experience than with the politics of the barracks.

General Ramos' pledge reinforces the trend towards the reconstruction of civil society, as manifested by the willingness of opposition leaders, some of whom have been associated with some of the failed coup attempts, to work for leadership change within the constitutional system.

With the next elections only 20 months away, the logic of functioning within the constitutional process is becoming more powerful every day. But as we consider the proximity of the elections, the question of whether there is still time for a dark horse to emerge begins to boggle the mind. If this is not possible, then we have to think of the presidency in terms of the available alternatives—many of whom have already raised their political profile and signalled their presidential ambitions.

Historically, a severe crisis produces leaders seen to be the messiah to grapple with the requirements of the times. In our political experience since independence only two such charismatic leaders have emerged—Ramon Magsaysay and Mrs. Corazon Aquino.

The phenomenal rise of Magsaysay was in response to the crisis sparked by the Huk rebellion, the corruption of the Quirino administration, the deterioration of the economy and the depletion of foreign exchange. The emergence of Mrs. Aquino in 1985 as a clear alternative to former President Marcos was a phenomenon associated with a widespread clamor to end the corrupt and repressive Marcos dictatorship that had economically devastated the nation.

The process of maturity of the Magsaysay dark-horse phenomenon—there were other preeminent leaders in the horizon, including Senators Jose Laurel and Claro M. Recto—took more than two years to peak and ripen into a presidential bandwagon.

The groundswell for Mrs. Aquino as a symbol of protest began in 1985 following the assassination of her husband, Ninoy. The political and emotional infrastructure for her rise had been laid years before Cardinal Jaime Sin persuaded Salvador Laurel to abandon his presidential ambitions and to make way for a martyr's widow.

We are today facing a serious crisis with economic and security dimensions, and these elements logically call for a strong leadership—economists are not charismatic leaders that can galvanize the people with messianic visions leading them to the promised land.

Given that there are only 20 months before the elections, it might not be realistic for a messianic dark horse to appear and be exposed. Therefore, we are led to the more realistic condition of having to make a choice among the already visible aspirants.

This is not a brilliant field, at least, for the purpose of choosing a messianic leader. Some are single-issue politicians. No one incarnates the bountiful virtues of charismatic leadership or the Man or Woman of the hour. We had the charisma of Magsaysay and Mrs. Aquino, but we discovered that charisma was not enough to solve the problems of the nation. Both were effective, only to a point.

As soon as the Huk rebellion was broken, Magsaysay's competence was called into question. As soon as Mrs. Aquino completed the formal restoration of democratic institutions, doubts were raised about her leadership style and efficacy. Perhaps, we can make a more judicious choice of leadership for the post-Aquino years if we are not mesmerized by charisma and messiahs who are expected to perform miracles.

Aquino on Possible Peso Devaluation, Problems

HK3010141390 Manila Radio Veritas in Tagalog 1300 GMT 30 Oct 90

[Text] Finance Secretary Jesus Estanislao denied reports of a peso devaluation before the end of the year. The commercial banks allegedly were responsible for spreading the news of a peso devaluation. The finance secretary, however, did not assert that the current exchange rate of over 25 pesos to $1 could be maintained. Estanislao admitted that the country has foreign exchange reserves of $2 billion. Estanislao said the government is spending about $30-$50 million on importing fruits and other accessories [as heard].

Meanwhile, despite the finance secretary's denial of a peso devaluation, President Aquino admitted the possibility of a peso devaluation and expressed no opposition to it. She also admitted economic setbacks due to the Middle East crisis:

[Begin Aquino recording in English] We really are in a very difficult situation. Take for example the matter of oil imports. Where before this was being projected over a total oil bill for 1990 has been projected at about $9.9 billion...latest projection went to a figure around $1.7-$1.8 billion. [sentence as heard] So, on the oil imports alone, we will be having enormous problems. And also with the earthquake and the drought, plus the power shortages that we experienced in this year, this has caused tremendous burden on our budget deficit. [end recording]

New Economic Program Wanted From IMF

HK3110040390 Manila THE MANILA CHRONICLE in English 31 Oct 90 pp 1, 6

[Text] The Philippine government wants to scrap its existing economic program with the International Monetary Fund (IMF) following its failure to meet the targets set on the program, according to Central Bank Gov. Jose L. Cuisia Jr.

Cuisia said the government would ask for a new economic program, one that takes into account the effects of such factors as the rising price of imported crude.

The Philippines' existing program with the IMF should have covered 1989-1991. Tied to it is a $900-million loan, to be released on certain conditions.

"We have started preliminary discussions with the IMF about the possibility of having another type of program. The question really is whether there will be a different program or the EFF (Emergency Financing Facility) program will continue under different targets although the latter is becoming more remote," Cuisia told a press briefing yesterday.

A new program being considered is the 18-month standby arrangement, similar to one in Ferdinand Marcos' time, under which the IMF reviews the Philippine performance every quarter.

The Philippines missed the monetary and fiscal targets set by the creditors for the September 1990 review. Cuisia said the revised P52-billion public sector deficit was still "too high."

Under the EFF program outlined in the 1989-1991 memorandum on economic policy with the IMF, the consolidated public sector deficit should only reach P38 billion. The public sector deficit is estimated to reach P60 billion this year.

"It is becoming evident that the targets are not achievable," Cuisia said. He attributed the difficulty to the series of unforeseen crises visited upon the Philippines—drought, earthquake, floods and now the Gulf trouble.

The Philippine government, he said, has already started preliminary discussions for a new program with the IMF and that [the] IMF is "willing to talk about it."

The IMF approval of a Philippine program for economic rehabilitation is a precondition to the release of some $700 million loans, including the $118-million final tranche of the $715-million new money from foreign commercial banks. It is also a requirement of the international donor community before it agrees to hold a second pledging session for the multi-billion dollar Philippine Assistance program (PAP), under which $3.5 billion was raised last year.

Groups Reduce Wage Hike Demand to 25 Pesos

HK2710055590 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 27 Oct 90

[Text] The militant labor groups have changed their position regarding their demand for a wage hike, reducing this from 38 to 25 pesos yesterday. This is if they are allowed to meet with President Corazon Aquino. Yesterday, Labor Secretary Ruben Torres talked to the leaders of the Labor Advisory and Consultative Council or LACC to reach an agenda for their meeting with the president. DWIZ learned that President Aquino spoke to LACC chairman Vicente Bate through the telephone and promised to meet the labor leaders after they consolidate their position.

In a letter to the president, Bate stated that they will halt their protest actions to show their trust in government after they talk to the president and reach an agreeement.

Earlier, the president ordered Labor Secretary Ruben Torres to study the Trade Union Congress of the Philippines [TUCP] proposal to grant other benefits not incorporated in the workers' wages including increase in personal income tax exemption; suspension of 1990 tax liabilities for minimum wage earners; increase in loans and benefits provided by the Social Security Council, Government Service Insurance System, and Medical Care; and loans for livelihood projects.

Aquino Rejects Call for Meeting

HK2910140790 Manila Radio Veritas in Tagalog 1300 GMT 29 Oct 90

[Text] President Aquino rejected labor leaders' call for a meeting. According to the president, the regional wage board should be responsible for hearing wage increase issues. The president announced that investigations into the violent incidents during the last Welgang Bayan [Nationwide Strike] are still ongoing. The president did not answer whether there was a move to ban the Kilusang Mayo Uno [1 May Movement] as a labor union.

[Begin Siytangco recording in English in progress] ...in the process of investigating the responsibility and involvement of persons and groups in the violence that attended last week's strike. I assure all concerned that justice will be done, for society cannot tolerate lawlessness in any form. I urge responsible leaders of labor to pursue their cause in the form provided for by law, the regional wage board. [end recording]

The president's announcement was read by Press Under Secretary Deedee Siytangco.

Labor Council Admits Communist Infiltration

HK2910130890 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 29 Oct 90

[Text] A Labor Advisory and Consultative Council [LACC] official has admitted that NPA [New People's Army] members infiltrated their group when they launched the Welgang Bayan [Nationwide Strike]. Phil Joson, an LACC member and worker's represenative to Congress explained that in spite of the fact that their group was infiltrated, this matter should not be the focus of attention. The issue should still be the granting of additional pay for workers. Joson further added that they would be forced to continue with their Welgang Bayan if the president would not talk to them in order to solve their demand for a 25 peso wage increase. In an interview with Deo Macalma, here is part of Phil Joson's pronouncements:

[Begin Joson recording in Tagalog] I think some organizations were infiltrated, even our own. We are not saying that our group is clean and that there are no unruly elements. But, as a whole, the focus should still be on solving the issue of a wage increase. [end recording]

New Minimum Wage To Be Implemented 1 Nov

HK3110040190 Manila THE MANILA CHRONICLE in English 31 Oct 90 pp 1, 3

[By staff member Booma Cruz with additional reports from Mel S. Elona and Marites Paez]

[Text] The government is implementing the P [peso] 17 minimum wage increase tomorrow despite organized labor's threat to stage another nationwide general strike after All Saints' Day if the wage adjustment is not raised to P25.

Appealing to militant workers poised for a second Welgang Bayan [National Strike] Finance Secretary Jesus Estanislao warned that a wage increase bigger than P17 would fuel inflation and make local industries uncompetitive.

"The government can afford to grant organized labor's demand for a P25 across-the-board wage increase but it would send the country's inflation rate soaring from 13% to 17%," warned the finance secretary. A 17% inflation rate would, Estanislao explained, leave a lot of industries uncompetitive, blunt the country's export growth, and eventually trigger a devaluation of the peso because of lack of dollars.

Explaining the details of the wage increase implementation, the Metro Manila wage board said that minimum wage earners in Metro Manila will receive the P17 wage hike on Nov. 1 while workers earning more than P89 but not more than P125 will be given the same increase on Nov. 10. According to the guidelines, the pay increase will apply to all workers in Metro Manila receiving a basic wage of not more than P125 a day or its monthly equivalent.

The wage increase will not apply to household helpers, drivers and workers in personal service; employees in retail/service establishments regularly employing more than 10 workers; and workers of distressed companies which are granted exemption from compliance by the board.

The P17 increase thus effectively raised the minimum wage rates of workers in different industries to P106 for non-agriculture plantation; P96, (agriculture) plantation; P85.50 (agriculture) nonplantation: P94, cottage/handicraft employing more than 30 workers; P92, cottage/handicraft employing not more than 30 workers; P106, private hospitals with bed capacity of more than 100, P102, private hospitals with bed capacity of 100 or less; P106, retail/service employing more than 15 workers; P102 retail/service employing 11 to 15 workers; and P85 retail/service employing not more than 10 workers.

Employers found guilty of violating the new minimum wage face imprisonment of from one to two years and a fine not exceeding P25,000.

The wage order provides exemptions from compliance with the salary increase for establishments upon aplication with the board. The guidelines for exemptions are: retail/service establishments regularly employing not more than 10 workers; and distressed establishments whose capital has been impaired by at least 25% during the year preceding the application.

Meanwhile, the National Wages and Productivity Commission will meet today on the appeal of the Trade Union Congress of the Philippines (TUCP) for a P38 wage increase for workers receiving P200 and below daily. Homer Punzalan, TUCP spokesman, said TUCP's "new demand" for the P200 wage ceiling "is just like an across-the-board increase" because it will benefit at least 80% of organized labor.

At the Department of Transportation and Communications, Secretary Orbos, smarting from the effects of last week's violent Welgang Bayan, proposed that an "automatic insurance system for transport operators be adopted to enable them to recover losses that may result from violent incidents during strikes."

Orbos raised the proposal in a dialogue with transport and civic groups. He called the meeting in an effort to thresh out "an agenda for peace" in the wake of the violence-marred nationwide strike.

Suspected Terrorist Killed in Pasig Blast

HK2810033990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 27 Oct 90

[By Francis Calado]

[Text] A suspected terrorist was killed when he accidentally set off the timer of a bomb he was about to plant at the Metropolitan Waterworks and Sewage System public station in Julio Vargas, Pasig, Metro Manila early this morning. The bomb exploded right in front of him which cut his left arm and resulted in his instant death. Colonel Romeo Pena, Pasig station commander [as heard], said that the victim might have been frightened by an approaching eastern police district patrol. He added that the victim could not be identified as he carried no identification papers.

Communist Rebels Plan Sabotage in Metro Manila

HK2910061790 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 29 Oct 90

[Text] The communist rebels are allegedly planning to carry out various acts of sabotage in Metro Manila and nearby provinces in order to force the government to declare martial law.

According to Colonel Agerico Kagaoan, commander of the Philippine Constabulary-Integrated National Police Security Group, the Communist Party of the Philippines-New People's Army is pushing the government to enforce stringent measures to prove to the people, here and abroad, that fascism continues to rule in this country. Colonel Kagaoan added that another plan by the rebels is to persuade rightist soldiers to launch a new coup d'etat to force the U.S. Government to intercede and thus the Aquino government would become politically isolated.

Meanwhile, authorities blamed the communist rebels for the widespread violence and disorder during the national strike last week.

Soldiers Urged To Report Recruitment Attempts

HK2910055590 Manila MANILA BULLETIN in English 29 Oct 90 p 25

[By Aris Ilagan]

[Text] Dumaguete City—Defense Secretary Fidel V. Ramos warned soldiers and policemen yesterday to report the recruitment activities of ultra-rightist elements immedately to their superiors or face strict punitive measures.

In his meeting with military commanders here, Secretary Ramos noted the "silence" of soldiers on the recruitment activities by the Reform the Armed Forces Movement [RAM], Soldiers of the Filipino People [SFP], and the Young Officers Union [YOU].

Brig. Gen. [Brigadier General] Raymundo Jarque, Negros Island Command (Nicom) chief, told Ramos that rebel soldiers, led by PC [Philippine Constabulary] Lt. Col. [Lieutenant Colonel] Billy Bibit, have been conducting recruitment activities in camps on Cebu and Negros.

Bibit, who carries a P500,000-price on his head, was rescued by heavily armed men believed to be YOU members, at his Manila City jail cell last April. However, Jarque said that the recruitment activities of rebels soldiers at the Nicom area have failed since they have not gained the confidence of loyal government troopers.

Jarque disclosed that the Visayas region might be the next target of the RAM-SFP forces after the mutiny led by Col. Alexander Noble in Northern Mindanao Oct. 4 failed. "Any contact made by (rebel) recruiters should be immediately reported to your commanders. It should not be passed off as a mere social event," Ramos told Nicom personnel.

Ramos Views Investigating May First Movement

HK2910132290 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 29 Oct 90

[Report by Eloi Aquino from Camp Aguinaldo]

[Text] Defense Secretary Fidel Ramos once more reiterated his directive to AFP [Armed Forces of the Philippines] chief Renato de Villa about undertaking an intensive investigation into the Kilusang Mayo Uno [KMU-May First Movement] and other militant groups with links to the KMU. In an ambush interview after his speech during the 8th anniversary of the Last Watering Hole, an organization of retired AFP commissioned officers, Ramos said that if there were any arrests to be made among the KMU leaders there would be grounds for such arrests. Ramos added that the communist rebels were believed to have taken advantage of the terrorist acts. According to the defense secretary, although CPP-NPA [Communist Party of the Philippines-New People's Army] Chairman Jose Maria Sison said that the KMU and other organizations in the country were front organizations of their group, Ramos said that there was still a need to study the credibility of this statement and find out if there was any truth to what Sison was saying.

[Begin Ramos recording in English] Talking about arrests, any arrests to be made will be based on evidence. It will not be an arrest without basis. [end recording]

On the possible alliance between the communists and rebel soldiers, Ramos said: [Begin Ramos recording] Well, there was already a previous announcement of the military rebels' spokesman to the effect that a tactical alliance has been formed by them in the name of Filipinism. So, that is also being looked into. [end recording]

On his reaction to the U.S. Congress passing a law making war veterans eigible for U.S. citizenship, Ramos said that the Department of National Defense [DND] was very pleased with the announcement and the DND would give its full cooperation to concerned agencies that would play a part in processing the citizenship of Philippine veterans.

Commander Cites Labor Groups' Communist Links

HK3110035190 Manila MANILA BULLETIN in English 31 Oct 90 pp 1, 22

[By Roy Sinfuego]

[Text] The labor organization Kilusang Mayo Uno (KMU) [1 May Movement] and the League of Filipino

Students of the Philippines (LFSP) are "deeply infiltrated" by the Communist Party of the Philippines-New People's Army (CPP-NPA), a high ranking military commander said yesterday.

Brig. Gen. [Brigadier General] Marino Filart, chief of the Capital Region Command (Capcom) and director of the Metropolitan Police Froce (MPF) revealed in an interview the seemingly "open alliance" between the KMU, LSP and CPP-NPA during the last "Welga ng Bayan [National Strike]" although it would be very hard to prove legally.

Military intelligence sources also bared that a teachers' group is also under the strong influence of CPP-NPA in all their defiant mass actions against the government.

Filart cited the prior warning issued by the CPP-NPA Alex Boncayo Brigade (ABB) that their armed urban partisans will take retaliatory actions against military and police elements conducting dispersal operations against marchers and rallyists during the "Welga" [Strike].

He said that intelligence information gathered in the field showed that the "Welga" leaders knew beforehand of the CPP-NPA violent actions but tolerated them.

A high-level security meeting was held at Camp Crame attended by the three PC-INP [Philippine Constabulary-Integrated National Police] regional commanders, provincial commanders and all Metro Manila police district superintendents.

The closed-door meeting was presided over by Brig. Gen. Glerardo Flores, PC chief of staff and concurrent chief of intelligence representing Maj. Gen. [Major General] Cesar Nazareno, PC-INP chief. Nazareno was summoned to Malacanang where he took his oath as one of the commissioners of the National Police commission (Napolcom).

Present at the conference were Filart, Brig. Gen. Manuel Bruan, PC-INP Recom 3 chief; Brig. Gen. Evaristo Carino, PC-INP Recom 4 chief; police superintendents of all district commands in Metro Manila, and PC provincial commanders from Recom 3 and 4 PC-INP.

Meanwhile, Lt. Col. [Lieutenant Colonel] Efren Fernandez, Bulacan PC-INP provincial commander, reported the raid and seizure of firecrackers with an estimated value of P [Peso] 1 million in a warehouse in barangay Binang, Malolos, Bulacan.

Fernandez reported to Bruan that a PC team led by 1st Lt. Richard Albano staged a raid on the bodega owned by a certain Virgilio Tisoy Ayala where a .22 caliber handgun, gun parts for a .45 caliber pistol and live ammunition for various gun calibers were also found among the cache of pyrotechnics. The firecrackers were brought to the PC headquarters in Malolos for custody.

Bruan ordered the filing of appropriate charges against Ayala.

Ramos on Davide Commission Proposed Reforms

HK3110113390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Oct 90

[By Eloi Aquino]

[Text] Defense Secretary Fidel Ramos gave an update on the Armed Forces' reaction to the three sets of recommendations submitted by the Davide Commission to prevent coup attempts by eradicating problems which are the roots of discontent among junior officers.

The commission's three sets of recommendations submitted to the Defense Department include short-, middle-, and long-term proposals or steps to prevent military uprisings. Ramos noted that most of the long-term reforms need congressional approval. He was referring to the proposal to grant amnesty to junior military officers involved in past coup attempts. According to him, the reform package is aimed at changing policies so as to improve the officers corps' so-called professional nature and to assure the promotion of those who are qualified.

[Begin Ramos recording in English] It was agreed at the end that indeed the DND-AFP [Department of National Defense-Armed Forces of the Philippines] must take recognizance of this chart of recommendations and act on them expeditiously. For his part, General de Villa reported that many actions so far have been taken by the Armed Forces of the Philippines previously such as the improvement of the promotions process not only through a [words indistinct]. [end recording]

Ramos cited particular reforms including a plan to convert the Philippine Military Academy to a tri-service military academy. He said that the DND-AFP plans to present two separate curricula: one which is common to all cadets and the other a specialized training school for cadets who would be commissioned to the Air Force, Army, and Navy.

Military Operations Force Out Misamis Residents

HK3110034790 Manila BUSINESS WORLD in English 31 Oct 90 p 12

[By reporter Joey G. de Guzman]

[Text] Hundreds of families residing in Sitio Lantad, Balingasag, Misamis Oriental have been forced to evacuate their homes and farms because of escalating military operations in the area, a recent justice department investigation revealed.

In a report submitted to Justice Secretary Franklin M. Drilon, State Prosecutor Hernani Barrios said some 3,000 residents started evacuating the area as early as March this year following the February launching by the Armed Forces of the Philippines of "Operation Skylark" to flush out communist guerrillas in the area.

Based on affidavits executed by affected residents, Prosecutor Barrios learned that the military and members of the Citizen's Armed Forces Geographical Units burned houses, destroyed properties and stole livestock.

The 923rd and 926th infantry batallions of the Philippine Army were deployed to Sitio Lantad because it is a "critical rebel area" used by NPAs [New People's Army] from Misamis Oriental to go to Bukidnon and Agusan del Norte.

As a result of the escalating military operations, Mr. Barrios further learned the evacuees have sought refuge at the San Jose Seminary in Cagayan de Oro City, while the rest fled to a nearby forest. The forced evacuation caused property losses ranging from P10,000 to P32,000, he added.

Most Sitio Lantad residents, who belong to the Higaonon Tribe, own a farm with an average size of two hectares, producing crops like peanut, cocoa, palay and camote.

The DoJ [Department of Justice] probe started Oct. 6 following a request from the Protestant Lawyers League of the Philippines for DoJ to look into alleged human rights violations in Sitio Lantad.

Two Hurt in Surigao del Sur NPA Encounter

HK3010135990 Manila Radio Veritas in Tagalog 0900 GMT 30 Oct 90

[By Ning Fernandez, DXGM-FM, Davao City—in English]

[Text] Two civilians were seriously wounded when retreating members of the New People's Army [NPA] fired rifle grenades at pursuing government troops in Tago, Surigao del Sur. Sergeant Noli Kapul of Regional Command 11 Regional Information Division said the incident took place near Subang crossing in Tago. Sergeant Kapul said earlier that an undetermined number of NPA rebels were sighted in the place, reportedly in an ambush position. Informed of the rebels position, elements of the PC-INP [Philippine Constabulary-Integrated National Police] command, led by one Lieutenant Haspan and Lieutenant Asmad, bringing along [words indistinct] with some members of the Philippine Army's 29th Infantry Battalion, went to the area. When the government troopers arrived, the enemy had left. However, they recovered big streamers urging the people to support the Welga ng Bayan [national strike] and demanding that the government increase salaries and wages and restore the COLA [Cost of Living Allowance].

A few minutes after the recovery of the streamers, a loud explosion was heard. It was verified that two civilians were wounded by grenade shrapnel. The sketchy report received by Camp Catitipan, however, failed to identify the wounded. The two were brought to the provincial hospital.

Military Claims Mindanao Rebels Demoralized

HK2910081790 Manila MANILA BULLETIN in English 29 Oct 90 p 8

[By Wilma Yamzon]

[Text] Damilag, Bukidnon—Military authorities here said remnants of the rebel force under colonel Alexander Noble have moved to Zamboanga and Basilan.

Col. [Colonel] Guillermo Ruiz, commander of the 2nd Marine Brigade, said intensive military operations being undertaken by Armed Forces units here have forced the remaining supporters of Noble to move to Zamboanga. Ruiz said, however, that most of Noble's supporters have surrendered to the government and those who remain in hiding were "few men who might eventually give up."

He said the surrender of Noble broke up the ultra-rightist force in Mindanao and demoralized its members. Noble surrendered to the government after leading a short-lived mutiny here and in Cagayan de Oro City early this month.

Brig. Gen. [Brigadier General] Eduardo Cabanlig, who visited Marine troops here, directed Ruiz to deploy Marine teams to Zamboanga and Basilan to flush out the rebels there. He received reports that the Moro National Liberation Front's lost command had taken over some Marine detachments in remote areas. The Marine posts were seized by the renegade rebels when soldiers left for combat missions.

Muslim Rebels Ambush Mayor in Maguindanao

HK2910090390 Manila PHILIPPINES NEWSDAY in English 18 Oct 90 p 3

[Text] Datu Piang—The mayor of this Maguindanao town escaped a second assassination attempt by Muslim rebels but his eldest sister was killed and his wife and five other people were injured in an ambush, relatives said Wednesday.

Suspected Moro Islamic Liberation Front (MNLF) rebels ambushed the victims Tuesday as they were returning to Datu Piang in an ambulance ordinarily used by Mayor Ben Mocalid, said the relatives, speaking on condition of anonymity.

They said the mayor's eldest sister, Bai Kangkongan Angas, died on arrival at a hospital. Mocalid's wife, Lokaya, was among the six others injured. The victims had gone to a nearby town to help prepare for a relative's wedding, while Mocalid attended services for the slain son of Morodin Matalam, governor of Maguindanao.

Relatives said they believed Mocalid was the target of the attack near Datu Piang. They said he also was the target of an ambush of the same vehicle in March, in which seven of his aides and bodyguards were injured.

Muslim rebels have been fighting for self-rule in Mindanao for the past 17 years. The government has forged a cease-fire with the main rebel group, the Moro National Liberation Front, but other rebel factions continue isolated attacks on soldiers and local officials.

Secessionist Bid in South Said Waning

HK2910080590 Manila MANILA BULLETIN in English 29 Oct 90 p 8

[By Wilma Yamzon]

[Text] Cagayan de Oro City—A Navy commodore said here that commanders of the Moro National Liberation Front (MNLF) have lost their mass base and the secessionist movement is now waning.

Commodore Ruben de la Cruz, commander of the Naval District VI based in Zamboanga City, said the MNLF has lost support even from its supporters in the Middle East which is now embroiled in the Kuwait-Iraq problem.

"Most of MNLF commanders have surrendered to the government and have signified support for the Mindanao Autonomous Region," [MAR] De la Cruz said. He said the weakening of the MNLF may be attributed to its loss of financial support from the Middle East, the declining popularity of MNLF leader Nur Misuari, and the formation of the MAR.

He said the Navy has been monitoring any sign of activity by the MNLF and none has been reported so far since the invasion of Kuwait by Iraq last August.

MNLF Rebels Kill 8 Power Company Employees

HK3110115790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Oct 90

[Interview with Mr. Cesar Infante of National Power Corporation, NAPOCOR, by Joe Taruc, DZRH commentator—live; italicized portions in English]

[Text] [Taruc] Here now is a follow-up report in relation to the murder of five National Power Corporation officials and three others. Here is Mr. Cesar Infante from Napocor. Good afternoon.

[Infante] Good afternoon.

[Taruc] What update do we have about the murder of your employees in Marawi?

[Infante] Yes. Our latest update, received this morning, is that five of our employees and three nonemployees were killed, so there were eight in all.

[Taruc] Mr. Infante did you receive any information that the victims were still tied when their bodies were found?

[Infante] Yes, that is true. Our vice president from Mindanao, (Mr. Forcon), sent a radiogram, *let me read it to you. The bodies showed signs of being shot at very close range and of being tortured before their tragic and cold-blooded death. Their fingers and faces bore signs of mutilation.*

[Taruc] They were severely maltreated, Mr. Infante?

[Infante] Yes, they were tortured before they were killed. And you may be interested in the names, are you?

[Taruc] Yes. Well, our station in Cagayan de Oro City has already relayed to us the names but could we have them again for the benefit of our listeners?

[Infante] Yes. These are the names of the Napocor employees who were killed: Jesus C. Mata, superintendent of maintenance at Agos one hydroelectric plant; Cesar Gloria, senior property officer at Agos one hydroelectric plant; Zosimo Enario, guesthouse cook, detailed at Agos one project task force; Jovito Loquero, casual electrician, Agos one project; Silverio Jutara, casual electrician at the Agos one project, and the three errand boys of the cook, Aljay Nali y de la Rosa, Jerry Tolibas y Estabos and Jimar Siao y Nale. Those are the names of the fatalities.

[Taruc] What has the Napocor done to assist the victim's families?

[Infante] The Napocor is doing all it can to help in the funeral arrangements and other possible forms of assistance that may be extended to the families. The compensation and benefits division of the Napocor is working on this.

Thailand

Australian Diplomat Arrives To Discuss Cambodia

BK3010145590 Hong Kong AFP in English 1349 GMT 30 Oct 90

[Text] Bangkok, Oct 30 (AFP)—A senior Australian diplomat arrived here Tuesday for talks with Thai officials on a peace settlement for Cambodia, Australian Embassy officials said.

Deputy Foreign Affairs Secretary Michael Costello flew in from Hanoi where he also held meetings aimed at breaking the deadlock in negotiations to end the 12-year-old Cambodian conflict, they said. Before going to Hanoi Mr. Costello had visited Phnom Penh where, according to the official media of Cambodia's Vietnam-installed government, he held separate talks with Phnom Penh Prime Minister Hun Sen and Foreign Minister Hor Nam Hong.

Mr. Costello's meetings in the three capitals were described by an Australian diplomat as "informal consultations on the Cambodia peace process, including exchanging views on possible ways of resolving the Supreme National Council (SNC) impasse."

International moves to end the war between the Phnom Penh Government and a guerrilla coalition dominated by the Beijing-backed Khmer Rouge have been deadlocked over differences on the composition of the SNC, a joint interim authority comprising representatives from all four warring factions. The factions accepted last month in Jakarta a United Nations peace framework setting up the SNC, but they have since squabbled over the inclusion as chairman of Prince Norodom Sihanouk.

The prince, the nominal head of the guerrilla alliance and the leader of one of its two non-communist factions allied to the Marxist Khmer Rouge, is not an SNC member, but is widely considered as a central figure in any peace process.

Australian diplomats did not identify the officials whom Mr. Costello, who has been closely involved in Australia's efforts to help achieve a settlement in Cambodia, met in Hanoi or the ones he was to talk to here. They did not say how long he was to stay in the Thai capital.

Leaves for China

BK3110085190 Hong Kong AFP in English 0826 GMT 31 Oct 90

[Excerpts] Bangkok, Oct 31 (AFP)—A senior Australian diplomat left here Wednesday for Beijing for talks on a settlement of the 12-year-old Cambodia war, Australian Ambassador to Thailand Richard Butler said. Mr. Butler said Deputy Foreign Affairs Secretary Michael Costello was to meet members of the Chinese Government in Beijing.

Mr. Costello began last week a regional tour aimed at helping break a deadlock between Cambodia's warring factions which has blocked progress of international efforts to end the war.

China gives massive assistance to the Khmer Rouge, Cambodia's former radical Marxist ruling group, now the military muscle of a guerrilla coalition fighting Phnom Penh's Vietnam-installed government. Beijing also gives smaller amounts of aid to the Khmer Rouge's two non-communist partners headed by former Cambodian monarch Prince Norodom Sihanouk and ex-Prime Minister Son Sann.

Mr. Costello, who has been closely involved in Australia's efforts to help achieve a settlement in Cambodia, started his tour in Phnom Penh. He later visited Hanoi and Bangkok. [Passage omitted]

Mr. Costello is expected to travel to Pyongyang for a meeting with Prince Sihanouk although that had not yet been confirmed, Mr. Butler said.

During his 24-hour stay here, Mr. Costello had a meeting with Mr. Son Sann, Mr. Butler said. In Phnom Penh, he held talks with Prime Minister Hun Sen and Foreign Affairs Minister Hor Nam Hong, the official Cambodian media reported. It was not known whom he met in Hanoi.

"These consultations are a continuation of the role that we have been performing as catalysts (in the peace efforts) and as an originator of ideas, that have had the purpose of maintaining momentum towards a comprehensive settlement of the Cambodian conflict," the envoy added. "They take place at a time when there has been an acknowledged impasse on certain matters under consideration in the Supreme National Council of Cambodia," he said.

PRC, SRV Cambodia Issue Involvement Viewed

BK3010051490 Bangkok THE NATION in English 30 Oct 90 p A8

[Editorial: "China, Vietnam Can Do More"]

[Text] In the Cambodian problem, Vietnam and China continue to be the two protagonists, who know each other's strategy. So, whenever China says that Vietnam should do more to pressure the Cambodian government to end the agony in Cambodia, it is a mirror of its own position.

However, when China refers to Vietnam, it seems countries in the region are more ready to listen. Afterall, they have been listening to this tune for the past decade. It was surprising that the Chinese leaders reiterated this point again on the eve of Vietnamese Foreign Minister Nguyen Co Thach's visit to Thailand. For the time being, all eyes are on Vietnam to remove the last stumbling block to the Cambodian peace settlement—pressuring Phnom Penh to agree on the issue of chairmanship of the Supreme National Council, which has been the bone of contention since the four warring factions held their first council meeting in September.

It is interesting that it was China, time and again, that urged Vietnam to do more to persuade the Phnom Penh government to end the war in Cambodia. By the way, China does not have clean hands either. Let us not forget, the heavy arms supplies to the Khmer Rouge, the strongest of the three guerrilla factions, are sent through Thailand from China.

To be fair, Vietnam and China can do more, anything that is short of blatant interference in Cambodia's internal affairs. Vietnamese Communist Party chief Nguyen Van Linh, Prime Minister Do Muoi and former prime minister Pham Van Dong met with the Chinese Communist Party Chief Jiang Zemin and Prime Ministr Li Peng last month in Chengdu. What else would they discuss if not their joint effort to end the Cambodian problem? Hanoi and Beijing should know full well it has been their support to the Cambodian parties that has kept the war dragging inside that country.

On one hand, Vietnam should voluntarily pull out their advisers, who replaced the troops withdrawn since last September, to demonstrate its repeated pronouncement that Hanoi is washing its hand of Cambodia.

On the other, China itself can unilaterally stop its aid to the Khmer Rouge. Their actions would provide a new impetus to the peace settlement. It is interesting to note that the Soviet Union and Vietnam, major arms suppliers of Phnom Penh, are facing mounting economic problems at home, their assistance will dwindle, much to the discomfort of Phnom Penh. However, such a constraint does not exist in the Chinese arms assistance programme. It could be that what the two countries want to convey to the world when they keep urging each other to pressure their respective Cambodian parties is that they no longer have influence over the conflicting groups.

Vietnam and China aside, the current impasse is also the product of the bad spirit among the Cambodians, who could seldom agree on anything on their own, more than anything else. Over the past 12 years, each jigsaw piece has been put together painstakingly by the parties concerned to make peace. But each time, the chance for peace comes closer, the Cambodians destroy it.

Regional conflicts such as the Cambodian conflict or the Afghan war have now ceased to be a rallying point for the superpowers' global competition for influence. The superpowers are now cooperating in reducing nuclear arms and jointly attempting to end the Gulf crisis. It seems at present only China and Vietnam continue to use the situation in Cambodia as a pawn in their relations.

Paper Criticizes Singapore's Position at Talks

BK3110054590 Bangkok THE NATION in English 31 Oct 90 p A8

[Editorial: "ASEAN's Revived Credibility"]

[Text] For a day or two, ASEAN's credibility was in doubt. Singapore, unable to accept a statement that condemned the European Community by name, rocked the solidarity that the six had previously pledged each other for the final, crucial weeks of the Uruguay Round of multilateral trade negotiations.

Jose Concepcion of the Philippines offered a compromise on Monday, the opening day of ASEAN economic ministers' two-day meeting in Bali. ASEAN is now officially alarmed by the failure of "a significant major group of contracting parties" (Gattspeak for members of the General Agreement on Tariffs and Trade) to submit its proposal for farm trade reform. The only "significant major group" not to have submitted its proposal is the EC. On this point at least, ASEAN's statement is clear; and Singapore's diplomatic sensitivity is satisfied.

What is not so clear is the implication of the concluding sentence of the statement: ASEAN will "take concerted actions commensurate with the situation necessary to secure and promote ASEAN's trade interest". What kind of action is ASEAN prepared to take "concertedly"? Does Singapore's reservation about the statement indicate that ASEAN's six members are less unified than they would like to admit, or was Singapore simply objecting to naming names?

This is not exactly the time for mincing words. The Uruguay Round has now been underway for four years. Deadline after deadline has been missed. July was supposed to be the final month for reaching draft agreement if disaster were to be avoided. Then Oct 15 became the absolute final date for final proposals. The Europeans were not the only participants to miss this deadline, but the rest were no more than a few days late.

Now, only a month is left before the Uruguay Round is due to end. Further negotiations to break similar deadlocks on all the round's important subjects—from tariff reductions to liberalization of textiles and services trade—are now suspended because the Europeans continue to fight among themselves over agriculture. And yet, a German minister declared only a week or so ago that if preserving the interests of farmers meant wrecking the Uruguay Round, so be it. Chancellor Helmut Kohl refused at the weekend to allow the EC summit to discuss agriculture.

The leaders of the mighty new Germany, in uneasy coalition with the French and the Irish, prefer obstinately to defend the agricultural protectionism that costs consumers and taxpayers in the rich countries $250 billion per year. They appear oblivious to the interests of their manufacturing and service industries and their consumers. They have no qualms about making enemies in the developing world, particularly among the advanced developing contries that increasingly seek Gatt's protection against the unilateral harassment of industrial nations' anti-dumping, anti-subsidy and "Section 301" actions.

The Germans are now talking about continuing to subsidize agriculture but without exporting—a minor improvement on subsidizing exports. But with the French up in arms about Japanese car imports, these two countries seem to be doing their best to convince the rest of the world that the post-1992 EC single market will indeed be Fortress Europe.

Why, with all this going on, should ASEAN worry about naming names? The Uruguay Round, as ASEAN rightly says, is in crisis.

Much of Thailand's active participation in the round was motivated by the hope that multilateral agreement on agriculture would restrict, at least to some extent, the US rice subsidies that can cause so much damage in years of low world prices. The Americans, after all, have refused to modify their rice programme unless there is agreement in the Uruguay Round.

But if EC ministers manage to agree on the proposal to cut farm supports by 30 percent from 1986 levels, and if that really is the EC's final offer, then the best Thailand can hope for is a ceiling of $700 million on US rice subsidies—hardly worth four years of effort or worth yielding to the industrial nations everything they want from Thailand and the Third World.

There is a sense in which the Americans share some of the blame. By refusing to allow the Europeans more attractive agreements in other areas, such as the US resistance to including aviation, shipping and telecommunications in new liberalized rules on services, Washington has reduced the incentive for the Europeans to yield more ground on agriculture.

Even in the EC's agricultural proposal there are demands that raise the hackles of several ASEAN nations. The EC wants to "rebalance" its protection, to raise barriers where they were once low at the same time as high barriers and supports are lowered.

This is a sneaky way to escape from the EC's commitments to keep duties on tapioca and vegetable oils at low rates. Normally, ending those commitments would require negotiations with an compensation for the EC's principal suppliers. So it is difficult to see why Singapore objected so strongly to ASEAN naming the EC. One possibility could be the Singaporeans desire to see GATT rules revised so that the Europeans and North Americans are restricted in their ability to take anti-dumping and anti-subsidy actions. Singapore might believe that antagonizing the Europeans would jeopardize the chances of achieving that objective. If that is the case, ASEAN could end up severely split on the Uruguay Round because Thailand, Malaysia, the Philippines, and to some extent Indonesia see little to gain from the round unless meaningful agreement is reached in agriculture.

When these four—Thailand in particular—talk about "actions commensurate with the situation", ultimately; they are considering joining Argentina and Brazil who are threatening to walk out of the Uruguay Round if the EC does not come up with a better offer. ASEAN's unity is important but it is not indispensible. The unity of small agricultural exporting nations is more important; and Singapore should think hard whether its interests override those of its neighbours.

Former Airbase To Be UN Forces' Staging Area

BK3110022090 Bangkok BANGKOK POST in English 31 Oct 90 p 7

[Text] The former US airbase at U-Taphao as well as Prachin Buri Province will be used as a staging area for the United Nations peacekeeping force and other personnel to be sent to Cambodia after a peace settlement.

Supreme Command spokesman Lt-Gen [Lieutenant General] Narudoh Detpradiyut said yesterday he expected about 10,000 UN troops and an equal number of civilians to be sent to enforce a ceasefire and monitor general elections in Cambodia. The UN troops will be confined to a military zone while they are in the country, he said.

The spokesman said that the opening of a neutral camp at Khao-I-Dang in Ta Phraya District of Prachin Buri to accommodate about 300,000 Cambodians and to provide them with vocational training was not possible yet as it was waiting for the arrival of UN funding.

Lt-Gen Narudon denied Thailand had allowed the recent transit of 24 tanks which were reported to be sent into Cambodia for the Khmer Rouge guerrillas. He also denied that the tanks came from the Thai Army's inventory. "We ourselves do not have enough tanks and we have to buy refurnished tanks from the US," he said.

Student Commits Suicide To Protest Government

BK3110032490 Bangkok THE NATION in English 31 Oct 90 p A2

[Excerpts] Ramkhamhaeng University student activists tried unsuccessfully yesterday to claim the body of a student whose apparent suicide on Sunday was allegedly aimed at protesting against the Chatchai government.

Police at the Institute of Forensic Medicine barred the activists from claiming the body of Phitthaya Yothamat who plunged from The Mall Department Store's building near the Ramkhamhaeng University. Initial police investigations indicated that the Ramkhamhaeng student committed suicide, but his possible motives were not immediately known.

The 20 activists led by Chatuphon Phromphan, leader of the university's Satchatham Party, claimed they have Phitthaya's letter criticizing the government and declaring his intention to commit suicide to force the administration to resign. The letter was in Phittaya's bag given to friends before he jumped from The Mall building, according to Chatuphon. The student leader refused to show reporters the letter, which he said would be read out during an antigovernment rally today at the Ramkhamhaeng University's Hua Mak campus.

Forensic Medicine Institute police told the activists Phitthaya's body would be handed over to his relations in Nakhon Si Thammarat. Student sources said the activists wanted to display Phitthaya's body during an anti-government protest planned for yesterday morning.

"His letter said the Chatchai government is the most corrupt government, and that he committed suicide because he wanted to protest its refusal to resign," Chatuphon said. [passage omitted on background material]

The Student Federation of Thailand, the country's most powerful student movement, has denounced the move of the Ramkhamhaeng activists who are allegedly linked with the underground Revolutionary Council which is challenging the present parliamentary system.

Chatchai To Visit Laos, Meet Prime Minister

BK3110030090 Bangkok THE NATION in English 31 Oct 90 p A1

[Text] Prime Minister Chatchai Chunhawan will pay a one-day visit to neighbouring Laos on Friday, Kraisak Chunhawan said yesterday. Kraisak, the prime minister's adviser, said Chatchai will meet Lao Prime Minister Kaysone Phomvihan during his visit to Vientiane.

Kraisak said that Chatchai's visit is aimed at strengthening Thai-Lao relations. Chatchai's delegation will leave Bangkok in the morning and return on the same evening.

Czechoslovak Foreign Minister Visits Bangkok

BK3010143790 Bangkok Voice of Free Asia in Thai 1030 GMT 30 Oct 90

[Text] Jiri Dienstbier, Czechoslovak deputy prime minister and foreign minister who is visiting Thailand during 28-30 October, gave a news conference at the Foreign Ministry Information Center yesterday. He said he had an opportunity to call on Prime Minister General Chatchai Chunhawan and meet with Foreign Minister Subin Pinkhayan. He said he invited the prime minister to reciprocate his visit. He said the establishment of the embassies in Bangkok and Prague showed an indication of the two countries to strengthen bilateral relations, particularly in trade and economic cooperation. The Czech and Slovak Federal Republic has opened itself to receive foreign investment and engage in joint investment ventures with other countries. His country is ready to sell machinery, particularly trucks, to Thailand, whose development and construction are booming. His country wants to buy Thai rubber and food products.

He said he discussed regional situations, such as changes in Eastern Europe, the Persian Gulf, and the Cambodian problem, with the Thai foreign minister. He hoped that the Cambodian problem will be effectively resolved eventually.

Africans Arrested on Heroin Possession Charges

BK3110083290 Bangkok BANGKOK POST in English 31 Oct 90 p 6

[Excerpt] Narcotics suppression police on Monday night arrested three women from Nigeria and two men from Sierra Leone who allegedly had 10.4 kilogrammes of heroin in their possession.

Police Narcotics Suppression Bureau commissioner Lt-Gen [Lieutenant General] Kowit Phupanit said in a press conference yesterday that two of the Nigerian women were suspected to be key figures in a drug trafficking ring receiving financial support from American and European businessmen.

Three suspects were arrested at 9.30 p.m. at Kurana Hotel on Ratchaprarop Road—Mrs Feji Ajuke, 21, of Nigeria, and Sankor Abubakarr, 39, and Amadu Jalloh, 40, of Sierra Leone. Police alleged they found 4,400 grammes of heroin in their possession.

The two other women were arrested shortly afterwards at the Grace Hotel in Soi Nana off Sukhumwit Road—Mrs Amangoua Effile Dorothee, 40, and Mrs Alhajia Raliayu Giwa, 40. Police allegedly found in their possession 6,000 grammes of heroin and $200,000 in cash.

Lt-Gen Kowit said the five suspects knew each other, and Mrs Ajuke and Mrs Dorothee were believed to be major traffickers, he said. During the past year anti-narcotics police have arrested about 100 Nigerians and seized about 200 kilogrammes of heroin.

Although major narcotics routes now go through China and India, some routes still use Thailand. "Considering that opium production in neighbouring countries is at a record high, we have to work around the clock," Lt-Gen Kowit said. [passage omitted]

Vietnam

Hanoi Reports Nguyen Co Thach's Thailand Visit

BK3010162090 Hanoi Domestic Service in Vietnamese 1430 GMT 30 Oct 90

[Text] At the invitation of the Government of the Kingdom of Thailand, Nguyen Co Thach, vice chairman of the SRV Council of Ministers and minister of foreign affairs, paid a working visit to Thailand on 29 October. During his visit, Foreign Minister Nguyen Co Thach held talks with Thai Prime Minister Chatchai Chunhawan and Foreign Minister Subin Pinkhayan.

On 29 October, Foreign Minister Nguyen Co Thach attended receptions hosted by the Thai prime minister and foreign minister. Also present at these talks and receptions were Nguyen Trung, Vietnamese ambassador to Thailand, and department head Pham Nhac.

During their talks, the two sides exchanged views on efforts to continue accelerating the settlement of the Cambodian issue, on the possibility of expanding cooperation among nations in the Southeast Asian region to conform with demands for development in each country and in response to the current profound changes in the region and the world, and on strengthening cooperative relations between Vietnam and Thailand.

The two sides shared the view that it is necessary to attain an early comprehensive political solution to the Cambodian issue on the basis of various resolutions of the UN Security Council and the UN General Assembly.

They unanimously agreed that the question of chairman, vice-chairman, and the number of members of the Cambodian Supreme National Council is a Cambodian internal affair and must be solved by the Cambodian parties concerned without foreign interference.

The two sides shared the view that it is necessary to create favorable international conditions for ending military activities inside Cambodia.

They were convinced that new developments in the relations between Vietnam and Thailand will positively contribute to the current process of solving the Cambodian issue and will help enhance cooperation between various countries in the Southeast Asian region.

The two sides agreed on the early establishment of a working group for the two countries' Foreign Ministries to prepare for various concrete activities.

The foreign ministers agreed that they will revise and amend various treaties of cooperation on matters that have already been signed between the two countries since 1978 and that they will prepare to sign new treaties on protecting investments and avoiding double taxation.

In order to expand the foundation for economic cooperation between the two countries, early efforts should be made to go ahead with establishing a joint committee for economic, cultural, scientific, and technical cooperation between the two countries.

Thai Foreign Minister Subin Pinkhayan proposed that the two countries cooperate with each other in rice exports so they will not suffer from price fluctuations and that they also expand cooperation in other fields such as banking, fisheries, gemstone mining, oil exploration and exploitation, and tourism. Foreign Minister Nguyen Co Thach welcomed these initiatives.

On this occasion, Thai Prime Minister Chatchai Chunhawan officially invited Council of Ministers Chairman Do Muoi to make a working visit to Thailand. Foreign Minister Nguyen Co Thach also invited Thai Foreign Minister Subin Pinkhayan to pay an official visit to Vietnam on a convenient date. Minister Subin Pinkhayan accepted this inviation with pleasure.

All the talks took place in a cordial atmosphere of mutual understanding. The agreements on spurring bilateral cooperation have marked a new step of development in the two countries' relations

Deputy Minister Fired for 'Serious Mistakes'

BK3110132190 Hanoi International Service in English 1000 GMT 31 Oct 90

[Text] The Chairman of the Council of Ministers on Monday, 29 October, decided to relieve Mr. Than Trung Hieu of his post as deputy minister of forestry and director general of the National Forestry Product Import-Export Corporation No. 3 [NAFORIMEX] for committing serious mistakes and errors in his work. These errors are characterized by the violations of the principle of administrative management which caused great losses to the forest resources and billions of Vietnamese dong to the state. The government decision also urged for further inquiry into this case.

Soviet Forces Withdrawing From Cam Ranh Bay

OW3110121390 Tokyo KYODO in English 1156 GMT 31 Oct 90

[Text] Hanoi, Oct. 31 KYODO—New Soviet Ambassador to Vietnam Rashit Khamidulin said Wednesday the Soviet Union has started withdrawing its troops from Cam Ranh Bay.

Khamidulin, who assumed his post in September, told a news conference at the Soviet Embassy that the withdrawal has yet to be completed, suggesting that the Soviet Union may pull out all its forces from the strategic bay. Soviet forces have been stationed in Cam Ranh Bay since around 1979.

Khamidulin said the Soviet Union has been using the bay for replenishing and repairing naval vessels under a bilateral agreement with Vietnam. Moscow does not regard the stationing of Soviet Forces there as a threat to stability in Southeast Asia, he said.

The Soviet Union has reportedly deployed about 20 ships and 40 warplanes, including MiG-23 fighters, since 1979. The Soviet Government announced in January this year it has begun to reduce its military presence in the bay and that all Badger medium-range bombers and MiG-23 fighters have been withdrawn from there.

EEC Decision To Normalize Relations Hailed

BK3010161890 Hanoi Domestic Service in Vietnamese 1430 GMT 26 Oct 90

[Article by Duong Quang Minh: "A Correct Decision Compatible With Reality"]

[Text] The recent EEC foreign ministerial conference in Luxembourg announced that the EEC has agreed to normalize relations with Vietnam. This decision is very important because it breaks the prolonged stalemate in the relations between Vietnam and this organization.

The press circle in Luxembourg commented that the EEC's decision to normalize relations with Vietnam reflects this organization's new cooperative spirit. The EEC's pledge to provide Vietnam with politico-economic support marks a very important diplomatic breakthrough since the end of the Vietnam war in 1975. We warmly welcome the EEC's correct decision.

The fact that the EEC has made a decision to normalize relations with Vietnam indicates that Vietnam's current renovation cause set forth by the Sixth Communist Party of Vietnam [CPV] Congress—including the policy to expand multifaceted relations with the world community—is achieving concrete results. This is not only our own appraisal, but it is also the evaluation of the international community, including the EEC member countries. The French National Research Institute noted that contrary to fabrications made by some parties against Vietnam on its gloomy and helpless future, the Vietnam people are still leading a normal and active life.

Vietnam's open door policy, including efforts to improve the pricing system and the promulgation of the foreign investment law, have attracted more nations to establish trade relations with Vietnam. An FRG economic journal wrote: Changes in Vietnam are very great. The Sixth CPV Congress has ushered in prospects for building and restoring peace in the region. Vietnam's economic reform and its open door policy have drawn avid interest from neighboring as well as Western countries. Many British parliamentary members of the ruling Conservative Party said: The Vietnamese are intelligent, diligent people. As a result, they have a very good chance to improve their daily life and to spontaneously develop themselves, thereby contributing to improving the economy in Asia and the rest of the world. We believe that the Vietnamese people have the ability to do this.

The EEC's decision is a correct act compatible with the current reality. Nations and international organizations that pay close attention to the Vietnamese situation realize that Vietnam has relied chiefly on its own capability to rebuild the country. However, cooperation and aid from foreign countries are very important factors that will help Vietnam to accelerate its economic growth. This also helps to create favorable conditions for countries and international organizations to effectively cooperate with Vietnam. Many EEC leaders have realized this fact: Mr. Claison, who visited Vietnam a year ago in the capacity of EEC chairman said, EEC cooperation with Vietnam will not only help develop the country's economy but it will also benefit the EEC itself. Mr. Gianni de Michelis, foreign minister of Italy and current EEC chairman, during his visit to Vietnam early this year, said: It is time to support Vietnam economically and diplomatically because the country plays a very important role in the Asian region. I believe that Vietnam's socioeconomic development will help contribute to the common interests of the world community, including the EEC.

While the EEC has agreed to normalize relations with Vietnam, public opinion is anxious about the development of relations between the U.S. and Vietnam. Trinh Xuan Lang, Vietnamese ambassador to the United Nations, in a recent interview with a BBC correspondent said: U.S.-Vietnam relations will be normalized sooner or later. This is in the interests of the two countries and the law of nature—whatever will be will be. In the current international situation, nations are likely to establish relations with and provide help to one another. As a result, the normalization of relations between countries is an essential practice.

Ho Chi Minh City-Frankfurt Air Route Opened

BK3010162290 Hanoi International Service in English 1000 GMT 30 Oct 90

[Text] The Vietnam Airlines and Lufthansa of Germany have agreed to open an air route from Ho Chi Minh City to Frankfurt. Lufthansa's Boeing 747-400 will fly once a week starting on October 31, 1990.

Heineken To Build Brewery in Ho Chi Minh City

BK3010162490 Hanoi International Service in English 1000 GMT 30 Oct 90

[Text] Ho Chi Minh City has been licensed to enter a joint venture with Heineken International of Holland to build a brewery with a capacity of 100 million liters per year.

Ho Chi Minh City and Heineken will equally share the investment capital of 100 million U.S. dollars. The brewery will be built in the suburban district of Hoc Mon in early 1991.

First Export Processing Zone Under Construction

BK3110093090 Hanoi VNA in English 0723 GMT 31 Oct 90

[Text] Hanoi VNA Oct. 31—The construction of the first export processing zone of Vietnam is under way at Linh Trung commune, Thu Duc District, Ho Chi Minh City following a decision of the Council of Ministers issued on September 19, 1990.

The zone lies on an old rubber plantation about 50 hectares in area. Total cost of infrastructure laying including roads, building, electric and water supply, fire prevention and so forth is estimated at 3-4 million U.S. dollars.

The export processing zone is particularly designed for one hundred percent foreign-invested enterprises and joint ventures in pollution-free light and assembly industries.

Ground construction is expected to be completed at the end of this year. In awaiting for a formal state statute on the export processing zone, a comprehensive document on investment in the export processing zone has been compiled. The document lays down the fundamental rules and stipulations regarding such questions as finance, accountancy, foreign currency management, labour, customs, immigration, residence and information.

Dozens of delegations of foreign companies have come to Linh Trung to inquire into long-term investment projects of up to 30 years, mostly from Japan, Taiwan, South Korea and Hong Kong.

Albanian Official Notes Technical Cooperation

BK2910145290 Hanoi Domestic Service in Vietnamese 1430 GMT 25 Oct 90

[Interview with Ajet Yli, chairman of the Albanian Science and Technology Commission, by unidentified Hanoi Radio correspondent concerning the results of scientific and technological cooperation between Vietnam and Albania; interview held during Yli's recent visit to Vietnam; date, place not given—recorded in Albanian fading into Vietnamese translation]

[Summary] [Correspondent] "Could you tell us the results of scientific and technologial cooperation between Vietnam and Albania over the years?"

[Ajet Yli] "Vietnamese-Albanian scientific and technological cooperation was established some 30 years ago on the basis of various treaties signed between the two countries in 1963. The scientific and technological cooperation between our two countries has developed in the agricultural, light industry, food industry, and public health areas, as well as in some other fields."

The results of cooperation can be seen in many areas of our two countries' economies. "That is the sincere cooperation between our two nations based on friendship that has been forged for decades. This sincerity is also reflected in our current visit to Vietnam." I am absolutely convinced that in the future the cooperation between our two countries will develop more vigorously."

[Correspondent] What about the results of your current visit?

[Ajet Yli] "We have concentrated our talks on the agricultural field, including the exchange of crop seeds, and on the results obtained by each country in applying scientific and technical innovations. From what we know, Vietnam has also attained good results in utilizing the crop seeds we have provided."

We note with satisfaction that those comrades at the Vietnamese Science Commission and at various agricultural research institutes have expressed their readiness to achieve scientific and technological cooperation with Albania.

"During these talks with Vietnam, we proposed cooperation with Vietnam on sericulture. While visiting a sericultural center in Hai Hung, we found that this is a very good field for us in which to expand future cooperation. As for the agricultural, light industry, and food industry fields, we are now still confined mainly to exchanging technical documents and experts."

[Correspondent] We have learned that this is your second visit to Vietnam. Could you give us your views on the renovation in Vietnam?

[Ajet Yli] "My first impression is that Vietnam has experienced a considerable and tangible change. Considerable change can also be seen in Hanoi. What is interesting is that Vietnamese people have further improved their welfare. I myself have a very favorable impression of Vietnam, for Vietnam has successfully solved its food problem. I remember that when I first visited four years ago, Vietnam was having difficulty with the grain situation. At that time its production could not meet domestic demand and Vietnam had to import food grain from abroad. Prior to my departure for Vietnam, I overheard that Vietnam had successfully solved its grain problem. On arriving here, I can see with my own eyes how Vietnam has satisfactorily solved this problem. Ensuring the availability of food grain alone bespeaks this radical change. In other fields, I have also seen many considerable changes. We have visited the Hoa Binh hydroelectric power project site. It should be said that this project is of international caliber, for it is equipped with modern technologies. I think that the building of this hydroelectric power project is a groundwork for achieving electrification and spurring industrial development."

There are also many more things to talk about. "You comrades have successfully crossbred many high-yield, pest-resistant rice varieties." The Vietnamese state has promulgated several decrees to promote scientific and technological development.

I sincerely wish the Vietnamese people ever-greater successes, especially in the field of social welfare.

Article Examines Effects of Renovation Policy

BK3110052190 Bangkok THE NATION in English 31 Oct 90 p A8

[Article by Yindi Loetcharoenchok: "A Ray of Hope for Doi Moi in VN [Vietname]?"]

[Text] While many Vietnamese praise the policy of doi moi (renovation) as bringing positive changes to the country and improvement in their standard of living, many have reservations over the slow pace of events, and even caution against optimism over the eventual outcome.

Four years have elapsed since the introduction of doi moi in December, 1986. The scheme places more emphasis on the country's economic reform from a centralized socialist economy to a market-oriented system. The programme, however, was not taken seriously by the general public in the first two years, as people had little confidence in the state, and doubted the sincerity and seriousness of the government in mapping out the initiative. "We were very skeptical at that time as we didn't know if our property would later be seized by the state," said the owner of a souvenir shop in downtown Ho Chi Minh City. "But after repeated government propaganda, people decided to give it a try, and so it goes," he said.

After 30 long years of war in the Indochinese country, which ended with the reunification of North and South Vietnam in April, 1975, the socialist nation has crumbled. From being a self-sustained agricultural state it is now one of the world's poorest nations. The free-market economy in the former American-dominated South Vietnam was uprooted, and the government nationalized all private enterprises.

To make matters worse, the US government, with support from other members of the western world, imposed economic and aid sanctions on Vietnam following its military invasion into neighbouring Cambodia in 1978. The consequence of this was to seriously affect the chances for development and worsened the already sagging economy.

In the last one-and-a-half decades the people in the once-prosperous South have become as poor as their struggling compatriots in the North, and today most people have to take second jobs to subsidize their meagre incomes. The new generation of professionals feel they have no hope in the country, and many college and university students become unemployed upon graduation. Basically they have no choice but to take whatever job is offered to them regardless of their ability and qualifications.

Some women reporters in Hanoi told THE NATION that they needed to take up a second job either as a translator or write more stories for other publications to gain extra income, and that other career people are in the same position. One reporter said she and her husband earn around 150,000 dong (US$24) each month, while it costs her four-member family around 200,000 dong (US$32) just to cover their monthly household expenses.

Over the past decade, hundreds of thousands of men have left the country to take up menial labouring jobs in the Middle East or Eastern Europe. Others, hoping to make a better life for themselves in the West, have tried their luck in tiny boats drifting in the South China Sea, risking their very lives for what is an increasingly hopeless quest for resettlement in developed countries.

Because of its desperate economic straits, Vietnam has had to depend heavily on material and financial assistance from its Eastern bloc allies, particularly the Soviet Union. But with the abrupt downfall of communist and socialist ideology over the past year in those countries, Vietnam is facing intensified isolation, coupled with increasing domestic pressure for economic and political reforms. Some government officials acknowledge that such reforms are inevitable, and that communist party leaders are also fully cognisant of the need to keep up with world development. But they argue that such moves have to proceed step by step, and that demands for pluralism are still unacceptable to the ruling class.

Today, the policy of doi moi is beginning to bear fruit to a certain extent. From the capital of Hanoi to the industrial centre of Ho Chi Minh City, people proudly talk about the initial success of the policy and how life is getting better compared with the provious decade before the implementation of the programme. "It is because of doi moi that life is improving," said another shop owner in Ho Chi Minh. "Now, people who have some financial reserves want to invest in some business, be it a small shophouse selling miscellaneous goods or a small cafe or restaurant."

For the first time in 15 years of socialist rule, the Vietnamese are tasting new economic freedoms and opportunities. With the state's approval and encouragement, private trade, business and investment has mushroomed over the past couple of years.

Access to foreign goods has also become easier. Across the country, western products from small household items to electrical appliances are replacing those from the eastern bloc, and people are willing to pay higher prices in return for different and better quality goods. Many of these products are smuggled by sea and land from other Southeast Asian nations, mostly via Laos and Cambodia. Even China, which is Vietnam's historical arch rival, is warming to renewed bilateral ties and is exporting its mass-produced goods to the southern communist neighbour. Economic giants such as Japan, South Korea, Taiwan and Germany are eyeing Vietnam as their next trading and investment target because the country abounds in natural resources and cheap labour.

According to the monthly VIETNAM COURIER, 24 countries have sent representatives to survey the economic possibilities in the Indochinese nation. But so far only a dozen have started investment moves. By mid August, 1990, the Vietnamese government had agreed to 177 foreign investment projects which amount to US$1.1 billion in capital. Among them, only 30 per cent involve investments of over US$100 million, most of which are for gas and oil exploration and exploitation, and marine related activities. The rest are involved in small and medium scale industries needing investments of only several million dollars. Surprisingly, 80 per cent of the projects are sited in the southern provinces.

Yet despite such a positive trend, many Vietnamese businessmen are dissatisfied with the pace of development, and have warned against premature congratulations. To them, much more foreign investment is urgently needed to revive the long ailing economy. The discontent often appears in news reports in numerous local newspapers, urging the government to cut down lengthy legal procedures and create an atmosphere more conducive to foreign investment. They point to the country's shortcomings which hinder foreign confidence in Vietnam, and call for immediate improvement.

Many foreign traders and investors cite tangled bureaucratic red-tape, economic instability and insecurity, double currency and lack of infrastructure and legislative guarantees of profit repatriation as the main obstacles to conducting transactions and investment in Vietnam. But the greatest barrier is the US trade and economic embargo which has posed tremendous difficulties to Vietnam, according to Vietnamese officials and businessmen. Because of the strong US influence, international monetary institutes are reluctant to grant financial assistance or loans to help improve, or even to construct, the country's infrastructure. "Vietnam needs huge financial resources to upgrade and improve its outdated infrastructure and mechanism. But without the consent of the US government, American and European companies and industries will not come here," said an official in Hanoi.

Some Thai businessmen touring the country talk openly of the irregularities and difficulties they encountered starting from visa applications until their departure from Vietnam. They complained that they have to "oil the wheels" in order to acquire something, to get things done or to meet Vietnamese officials.

VNA Correspondent Interviews Lao Leader

BK3010083890 Hanoi VNA in English 0717 GMT 30 Oct 90

[Text] Hanoi VNA October 30—VNA correspondent in Vientiane has recently interviewed acting President Phoumi Vongvichit on the occasion of the 15th National Day of Laos (December 2).

Phoumi Vongvichit, who is also Politburo member of the LPRP [Lao People's Revolutionary Party] Central Committee and president of the Lao Front For National Construction, said : 'The general uprising in 1975 is the biggest and most thorough revolutionary struggle which led to the most glorious victory in the Lao history. It put a definitive end to the decade-long intervention and aggression by old and new-type colonialism in Laos'.

He went on:

'December 2nd, 1975 was a golden landmark which ushered in a new era, that of independence, freedom, and liberation from want and care for the people of all ethnic groups in Laos'.

'The achievements over the past 15 years are great, all-sided and firm' he affirmed. He said that rice output in 1989 was more than 1.4 million tons, more than double the level of 1976, and is expected to exceed 1.5 million tons [tonnes] in 1990. Meanwhile, electricity output increased 3.8-fold over 1976.

Phoumi Vongvichit went on:

'We still have many short-comings. The 4th congress of the LPRP stressed that in order to move forward we have to renovate in all spheres. We have to restructure the economy, renew economic management, abolish the old mechanism of centralized and subsidized management, apply cost-accounting and allow free circulation of goods.'

On the Laos's foreign policy, Phoumi Vongvichit said:

'To all other countries, we will firmly continue our foreign policy of peace, independence, friendship and cooperation based on equality, respect for each other's sovereignty, and non-interference in each other's internal affairs. Facts have proved that with this correct foreign policy Laos have made worthy contributions to the struggle for peace, national independence, democracy and social progress in the world'.

Pham The Duyet Sends Letter on Anticorruption

BK3010071090 Hanoi Domestic Service in Vietnamese 1000 GMT 29 Oct 90

[From the 29 October press review]

[Text] On the subject of struggling against corruption, HANOI MOI [on 29 October] carries on page one a report that on 26 October, Comrade Pham The Duyet, secretary of the Hanoi Municipal Party Committee, sent a letter to the party secretaries and people's committee chairman of all wards, districts, and cities urging them to intensify their guidance of the implementation of Council of Ministers Directive 240 on struggling against corruption.

Soviet Army, Navy Youth Delegation Visits

BK3110092790 Hanoi VNA in English 0716 GMT 31 Oct 90

[Text] Hanoi VNA Oct 31—A youth delegation of the Soviet Army and Navy led by Lieutenant Colonel A. Reshenikov, president of the Council of the Soviet Army and Navy Youth Union, has paid a week-long visit to Vietnam.

During its stay, the Soviet delegation exchanged experience on promoting youth activities with young Vietnamese servicemen in the Air Force, Special Task Force, Division 308 and 7th Military Region.

Senior Lieutenant General Tran Nam Khanh, deputy head of the General Political Department of the Vietnam People's Army, had a cordial talk with the Soviet guests.

Council of State Delegation Inspects Haiphong

BK3010062590 Hanoi Domestic Service in Vietnamese 1430 GMT 28 Oct 90

[Text] From 18 to 25 October, a Council of State Inspection Delegation visited Haiphong Municipality to inspect implementation of the Law on Organization of People's Councils and People's Committees and the Regulations on Organization and Operation of People's Councils at Various Levels. Representatives of the Organization Department and cadres of the Council of Ministers and the Vietnam Fatherland Front Central Committee also participated in the inspection.

All the party committee echelons, the standing committees of the people's councils and people's committees, and representatives of the Fatherland Front committees in the localities visited by the delegation affirmed the palpable initial renovation and changes in the organization and operation of the people's councils at various levels in Haiphong Municipality since the promulgation of the new law and regulations on the people's councils. The standing committees of the people's councils have actively contributed to making preparations for and improving the quality of people's council meetings and to the activities of various committees and members of the people's councils. Generally speaking, activities of the elective organs have become less formalist, thereby strengthening the public's confidence in the people's administration.

The Council of State Inspection Delegation reminded the Standing Committees of the People's Councils of Haiphong and its precincts and districts to bring into full play the achievements already scored and to continue their research and experimental work to enable the people's councils and their members to operate more practically and effectively, avoid formalism, and reflect the people's thinking, aspirations, and will. In the immediate future, they should concentrate their efforts on consolidating and strengthening the administration at the village and subward levels, especially as far as the operation of people's councils and their secretariats is concerned.

Nguyen Huu Tho Inspects People's Councils Work

BK3110102490 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Oct 90

[Text] Comrade Nguyen Huu Tho, vice chairman of the Council of State and president of the Vietnam Fatherland Front [VFF] Central Committee Presidium, visited Song Be and Dong Nai Provinces recently to inspect work and activities of the people's councils at various echelons. He was accompanied by representatives from the government Cadre-Organization Committee, the VFF Central Committee Secretariat, the Office of the National Assembly and the Council of State.

During his visit, Vice Chairman Nguyen Huu Tho heard local leading cadres report on the socioeconomic situation in their localities. He carefully studied the organization and activities of the people's councils at various echelons during the past 10 months. Cadres in localities briefed Comrade Nguyen Huu Tho on the main causes affecting the authority and activities of the people's councils. They complained that though the people's councils are organs of authority, their organizational mechanism is inappropriate, especially at the village level—an important level where the administration deals directly with the people in implementing state lines and policies—where the councils have no offices. The people's councils secretariats at village and subward levels were set up merely to help people's committees carry out routine work. As a result, they can not exercise their control and inspection functions. Worse still, most of the people's councils chairmen and leading members were charged with the duty to handle party and administrative tasks, thus they have no time to work closely with the people. Moreover, the law and regulations on the people's councils did not contain concrete stipulations that will help them to effectively carry out the assigned tasks. In practice, the people's councils tended to make proposals or requests to resolve issues rather than exercise their functions as prescribed by the law. The people's councils have no facilities and budget for carrying out activities. They have no offices of their own, thus relying on facilities of the people's committees.

Through his inspection work, Vice Chairman Nguyen Huu Tho noted the various problems that must be resolved to help the people's councils at various echelons to effectively exercise their functions as organs of authority in localities. The vice chairman urged cadres in these two provinces to strive to overcome shortcomings and to draw on experiences for a better job in the future. He also urged members of the people's councils to effectively carry out their duties and functions as prescribed by the law and to take serious measures against individuals who violate state law.

Nguyen Van Linh Addresses Secretariat Meeting

BK3010155790 Hanoi Domestic Service in Vietnamese 1100 GMT 29 Oct 90

[Text] The party Central Committee Secretariat held a conference in Ho Chi Minh City from 22-27 October to review the implementation of the party Central Committee's Eighth Plenum Resolution on renovating the party's mass motivation work.

The conference was attended by representatives of the party and people's committees of 24 southern provinces and cities and representatives of 20 typical establishments belonging to various branches, sectors, and mass organizations.

Comrade General Secretary Nguyen Van Linh attended and addressed the conference.

Under the chairmanship of Comrade Vu Oanh, secretary of the party Central Committee, the conference reviewed the implementation of mass motivation work in line with the party Central Committee's Eighth Plenum Resolution and with the party Central Committee Secretariat's Circular No. 194 and Directive No. 62.

In the past, party committee echelons at various levels from provinces, precincts, and districts down to the infrastructure have studied the resolution, and jointly reviewed and formulated a program for implementing mass motivation work in conjunction with efforts to implement various urgent political tasks. The resolution has thus far been disseminated among 85-95 percent of the party cadres and members through the backbone contingent of cadres and among the people through hamlet and neighborhood population team leaders.

Thanks to the dissemination of the party Central Committee's Eighth Plenum Resolution, an identity of views has been achieved among the party and the people over the international and domestic situation and over those concepts and tasks regarding the renovation of mass motivation work, the enhancement of the relationship between the party and the people, and the need to rely on the people to build the party and the administration and to organize the activities of various mass organizations and people's councils.

Especially noteworthy is that mass motivation work in the armed forces has undergone new changes. In various establishments, efforts have been made to monitor party members' observance of party regulations. Openly soliciting the masses' suggestions and criticizing party cadres and members by various party committee echelons have won the people's acclaim. The relationship between the party and the people have therefore become closer.

Speaking at the conference, representatives from various localities pointed out the harmonious cooperation among the party, administration, and various mass organizations in stepping up the mass movement to truly rely on the people to solve problems arising in social life. Thanks to their satisfactory implementation of this movement, many localities and establishments such as Manh Thang village in Hau Giang, An Thai Dong village in Tien Giang, Cai Von town in Cuu Long, Thanh Binh ward in Danang, Tan Mai ward in Bien Hoa, Tay Loc ward in Hue, Visam Corporation in Ho Chi Minh City, and Bac Lieu hospital in Minh Hai have been able to initially spur production, excercise social policies, and improve the people's welfare.

Although certain initial results have been attained, the conference noted that many shortcomings and deficiencies still remain in various echelons. For instance, the resolution has not been widely implemented. Among various sectors, especially among those economic sectors and among the people, many new policies are slow to be substantiated. Efforts have not yet been made to clarify the managerial system made up of the party, the administration, and mass organizations. Many establishments, though with the cooperation of party and nonparty members, have been going through the motions in their work, thus producing no results.

It is suggested by the conference that it is necessary to involve oneself more deeply in the movement and to come up with practical policies suitable to the people of various strata, to direct coordinated activities between the administration and mass organizations, to increase work quality, and to satisfactorily resolve various policies and systems toward mass organizations and cadres.

Party committee echelons and the administration must give appropriate attention to mass motivation work and formulate concrete plans based on the political tasks for each particular period of time of their localities and units concerned. Many delegates proposed that in the future, efforts must be made to strictly rely on the people in implementating political and social tasks, in the struggle against negativism, and in solving those essential matters now concerning the people.

Comrade General Secretary Nguyen Van Linh spent a whole day addressing the conference. The comrade pointed out that as a basic task, party committee echelons, the administration, and mass organizations at the grass-roots level must know how to motivate the people of various strata to actively participate in the renovation undertaking. The comrade emphasized: To make the renovation undertaking successful, the party and the state must come up with policies and lines that conform to the people's aspirations and must ensure active participation of the masses in a manner in tune with what Uncle Ho said: Although the party is a leader, the revolutionary undertaking belongs to the people.

The comrade urged various mass organizations to take realistic actions to care for and give assistance to the people's lives and production. The comrade general secretary especially pointed out that party members and grass-roots party organizations must direct the people to contribute their suggestions for party building. It is necessary to step up the task of educating youths and teenagers and to instill a sense of socialist idealism in youths of various generations.

Religiously, the comrade general secretary hailed the participating delegates of different religions for their patriotism and contributions and affirmed that it is our party's consistent policy to respect the religious freedom of the people. As religious followers are first of all Vietnamese, the participating delegates of various religions have the same rights and duties as other citizens. They are dutybound to join the entire people in national construction and defense.

Finally, the comrade general secretary urged and reminded those cadres entrusted by the party to do mass motivation work to cooperate with various mass organizations in motivating the people to join the party and the state in various struggles against corruption and blackmarketeering and other illegal activities. The comrade said: As we are preparing for various socioeconomic tasks in 1991, party organizations, the administration, and mass organizations at all levels must concentrate their energy and minds on this task in order to ensure increased production, stabilize the country's socioeconomic situation, successfully realize the renovative policy set forth by the sixth party congress, and to satisfactorily prepare for the seventh party congress.

Australia

Delay of EEC Subsidies Decision Criticized

BK2910051690 Hong Kong AFP in English 0239 GMT 29 Oct 90

[Text] Canberra, Oct 29 (AFP)—Australia will spearhead attempts to save global talks on trade reform after the European Economic Community (EEC) failed to decide on farm subsidy cuts at its weekend summit in Rome, an official said here Monday.

Australian Trade Negotiations Minister Neal Blewett, chairman of the 13-member Cairns Group of agricultural exporting nations, flies to Geneva later this week for emergency talks as the Uruguay Round of negotiations under the General Agreement on Tariffs and Trade is threatened with collapse.

Mr. Blewett said on Sunday time was running out for the GATT negotiations and the absence of a European position "plunges the whole of the Uruguay talks into crisis." He said agricultural reform was the key to a successful outcome "right across the round."

Mr. Blewett's spokeswoman said Monday: "The minister hopes that in the next few days the Europeans come to their senses."

Australia last week called an emergency meeting of the Cairns Group for November 6 in Geneva.

EEC farm ministers missed an October 15 deadline to put a proposal for farm reform as the four-year Uruguay Round draws to a close in December. The EEC Agriculture Commissioner Ray MacSharry wanted the ministers to agree to a 30 per cent cut in farm support.

The Cairns Group and the United States want cuts in the order of 75 per cent on border protection and internal support and 90 per cent on export subsidies.

At the 12-nation EEC summit in Rome over the weekend, Britain was at odds with France and Germany over farm subsidy cuts, which they resist due to opposition from their farmers.

Italian Prime Minister Giulio Andreotti managed to keep the issue off the official agenda.

Mr. Blewett said the EEC's failure to come up with a negotiating position "is a situation which should be condemned."

The Cairns Group comprises Australia, Argentina, Brazil, Canada, Chile, Colombia, Hungary, Indonesia, Malaysia, New Zealand, the Philippines, Thailand and Uruguay.

Malaysia Protests, Curbs Some Official Contacts

BK3110091790 Melbourne Overseas Service in English 0500 GMT 31 Oct 90

[Text] The Malaysian Government has curtailed some official contacts with Australia in protest against a television program set in a fictional Islamic Southeast Asian country. Malaysia's high commissioner in Canberra, Datuk Abdul Karim Marzuki, says the series, entitled (?Embassy), makes fun of Malaysia. Datuk Marzuki said that although the series is purported to be fictional, Malaysians can read between the lines.

The series was produced with assistance from the Department of Foreign Affairs by the Australian Broadcasting Corporation of which Radio Australia is the overseas service.

A foreign affairs spokeswoman has told Radio Australia that some planned bilateral contacts have been postponed following a complaint by the Malaysian Government. The spokeswoman would not give details of the contacts but said they were relatively low level.

Fiji

Five Ethnic Indians Charged With Sedition

BK3110145990 Hong Kong AFP in English 1437 GMT 31 Oct 90

[Text] Suva, Oct 31 (AFP)—Five ethnic Indians were charged with sedition here Wednesday in connection with the public burning of a copy of Fiji's recently promulgated constitution, police said. Assistant Police Commissioner for Crime Beni Naiveli said investigations were continuing late Wednesday and "more men could be brought before court tomorrow."

The five are alleged to have burned a copy of the Constitution, which favours indigenous Melanesians over ethnic Indians, at an October 18 Hindu prayer meeting.

The names of the arrested ethnic Indians were not released, but police sources said they included prominent community figures, including a medical doctor, a former high school principal and two lecturers at the University of the South Pacific (USP).

Mr. Naiveli said prayer meeting organizer Anirudh Singh—who last Wednesday was allegedly abducted and tortured by five soldiers in relation to the incident—would also be questioned when he is discharged from hospital this week.

The five soldiers who allegedly beat Mr. Singh were handed over to police on the orders of Fiji Military Forces Commander Major-General Sitiveni Rabuka.

Striking USP academic staff called off their action Wednesday following the arrest of the five soldiers.

Maj. Gen. Rabuka said the soldiers were handed over to police on his orders and told a batch of soldiers leaving for United Nations peacekeeping duties in southern Lebanon that he would not shy from "doing the same thing in future." He said the security force was expected to support the interim government which it had installed after his two army coups in 1987. Maj. Gen. Rabuka, who has made known his ambitions of becoming the next prime minister, also pledged his support for the police and judiciary.

3 Journalists Charged for 'Malicious Publication'

BK2910082190 Melbourne Overseas Service in English 0500 GMT 29 Oct 90

[Text] Fiji police have arrested and charged the publisher, the chief sub-editor, and a reporter of the DAILY POST newspaper for alleged malicious publication under the country's public order act.

The publisher, Mr. (Dan Bolia); chief sub-editor, Mr. (Robert Went); and reporter, Mr. (Subarsh Verma) were arrested at the weekend and charged with what police claimed was the fabrication of an article appearing in the newspaper on 26 October. The article related to the kidnapping, beating, and torture of a University of South Pacific lecturer, Dr. (Anarut Singh), an incident which led to protests and stikes by students, lecturers, and cane farmers. A police spokesman said the report was fabricated and said the three men due to appear in court in Suva today were arrested on suspicion of maliciously publishing an article.

Army Criticized for Not Cutting Expenditures

BK3110091190 Melbourne Overseas Service in English 0500 GMT 31 Oct 90

[Text] Fiji's interim prime minister, Ratu Sir Kamisese Mara, has criticized the Army for not cutting its annual expenditure which is more than quadrupled from U.S.$5 million to more than $27 million since 1987. However, Ratu Mara says as an unelected prime minister, he cannot insist too far that the Army commander, Major General Sitiveni Rabuka, reduce spending.

While Ratu Mara hopes a compromise can be reached in time for a national budget in December, he says General Rabuka has said the military will only cut back on spending on the orders of an elected government.

The interim prime minister has told journalists that the government's problem with the Army is one of several reasons why he wants to quit politics. He said General Rabuka had pledged support for the interim government, but there were several things the Army had not acceded to. According to a Radio [name indistinct] report quoted by PACNEWS, Ratu Mara added that much of the money now used by the military should be redirected to create productive jobs and help indigenous Fijians move into the private sector now dominated by Indians and foreigners.

Papua New Guinea

Foreigners Deported for Alleged Rebel Aid

BK2710063590 Hong Kong AFP in English 0123 GMT 27 Oct 90

[Text] Port Moresby, Oct 27 (AFP)—The Government of Papua New Guinea confirmed Saturday that it had ordered seven foreigners out of the country for allegedly helping Bougainville rebels. The senior civil servant in the Ministry of Foreign Affairs, Acting Secretary Evoa Lalatule, said that two New Zealanders would be leaving Papua New Guinea on Sunday. He named the men as Richard Harty and Ross Noone.

Mr. Lalatule also said that two Roman Catholic priests from the United States and three Australians had been served with deportation orders in April, but that some of them were thought to be still in Papua New Guinea. Robert Wiley, a priest on Bougainville for the past 26 years, had left the country, Mr. Lalatule said, but the whereabouts of the other priest, Mark Roberts, were unknown.

Father Wiley was the local priest at Panguna, the site of a huge copper mine at the centre of a 16-month secessionist war on Bougainville Island. The war between government forces and the Bougainville Revolutionary Army (BRA) claimed more than 80 lives before government troops withdrew in March.

Father Roberts was involved with the Catholic Peace and Justice Commission which has accused government forces of atrocities. He is believed to be still in Kieta, on the east coast of Bougainville, which is cut off from the rest of the country. He was also the representative of the London-based human rights organisation Amnesty International, which has issued damning reports on the government's handling of the Bougainville crisis.

The archbishop of Port Moresby, Peter Kurongku, said on Friday that the church was not too concerned about the alleged activitivies of two United States priests. "They were always sympathetic with the people who they have worked with," Sir Peter said.

Mr. Lalatule said that three Australians—Michael Forster, Elliot Harding and Graeme Kemmerfield—had also been ordered to leave Papua New Guinea in April. The Department of Foreign Affairs in Canberra confirmed this. Mr. Kemmerfield was believed to have gone at first to the Solomon Islands, Mr. Lalatule said, but was now thought to have re-entered Papua New Guinea. The whereabouts of Mr. Harding and Mr. Forster were unknown. All three men were still on the government's "black list", he added.

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